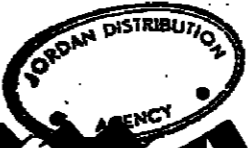


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PARIS, WEDNESDAY, JANUARY 28, 1987

ESTABLISHED 1887

## Gorbachev Seeks Broad Changes in Electoral System



Mikhail S. Gorbachev

By Philip Taubman  
New York Times Service  
MOSCOW — Mikhail S. Gorbachev, accusing the Communist Party of stagnation and systematic failures, called Tuesday for secret balloting and a choice of candidates in the election of many senior party leaders.

The Soviet leader also proposed, in a six-hour speech to the party's national leadership, the adoption of new laws designed to make permanent some of the changes he has set in motion in the Soviet Union, including legislation to guarantee open debate and to protect citizens against governmental abuses of power.

Focusing his drive for national renewal on the party for the first time, the Soviet leader told a two-postponed meeting of the Communist Party Central Committee that party failures were largely responsible for economic and social decay in the 1970s and early 1980s.

Mr. Gorbachev said, "Conservative sentiments, inertia, a tendency to brush aside everything that did not fit into conventional patterns, and an unwillingness to come to grips with outstanding socio-economic questions prevailed in policy-making and practical work."

Western diplomats said that Mr. Gorbachev's speech seemed to mark the beginning of a new phase in his efforts to consolidate power and revitalize a society that atrophied during the Brezhnev era.

### LATE NEWS

#### Dollar Slides a New York

The dollar fell Tuesday to a year closing low against the Swiss mark in New York, ending at 1.7975 DM, down 1.8240 at Monday's close, was the lowest since Sept. 1980. The dollar closed 10.45, near its postwar 50.45, on the New York exchange, the Dow Jones average of 30 stocks points to a record 5. The previous record was 145.67, set Thursday.

### TODAY

...ation asked option charges speed against Otto Steinhilber, the former West German economic minister. Page 6.

### GENERAL NEWS

...Oliver Tambo said the African National Congress will not forgo violence while Pretoria maintains apartheid. Page 2.

### BUSINESS/FINANCE

...Japan is to extend voluntary restraints on car exports to the United States. Page 9.



Soldiers loyal to former President Ferdinand E. Marcos holding a television station on Tuesday during a coup attempt.

## Marcos Rebels Seized as Coup Fails in Manila

By Michael Richardson  
International Herald Tribune  
MANILA — Military commanders loyal to President Corason C. Aquino thwarted attempts by soldiers to overthrow the government Tuesday, and loyal troops surrounded a final group of 200 rebels in a broadcasting center early Wednesday.

Sources said that those involved in the alleged plot to take over key military camps in and around Manila included military and civilian supporters of former President Ferdinand E. Marcos.

Defense Minister Rafael Nieto said 271 conspirators had been arrested. Earlier, General Fidel V. Ramos, the armed forces chief of staff, said arrest orders had been issued for 18 officers, including a general whom he did not identify.

Early Wednesday, more than 160 rebel soldiers, about 50 civilians and a few police officers continued to occupy a fortified complex housing a television and radio station.

## Germans Jail Howe Expresses U.K.'s Concern for Waite

### Germans Jail Brother of TWA Suspect

By James M. Markham  
New York Times Service  
BONN — West German police on Monday arrested the brother of a Lebanese terrorist suspect whose freedom is being sought by partisans believed to be holding two West German hostages in Lebanon, sources said Tuesday.

After the arrest of the brother at the Frankfurt airport, police stormed an apartment where he had lived in southwestern Saarland, wounding an Arab and detaining several others, according to official and nonofficial German sources.

Abbas Ali Hamadeh, 28, was seized Monday evening immediately as he disembarked from a Swissair flight from Geneva; police officers were waiting for him at the exit ramp.

Mr. Hamadeh, a West German citizen, had reportedly started his journey in Beirut and was said to have been traveling on his own passport.

On Jan. 13, the police arrested Mohammed Ali Hamadeh at Frankfurt Airport after liquid explosives were discovered in his baggage.

### Howe Expresses U.K.'s Concern for Waite

By James F. Clarity  
New York Times Service  
LONDON — The government expressed concern Tuesday about the safety of Terry Waite, the Anglican Church envoy who went to Lebanon two weeks ago seeking negotiations with the kidnapers of Western hostages.

Mr. Waite has not been heard from in the eight days since Jan. 20 when he left his hotel room in West Beirut, presumably to talk with a group holding hostages.

As uncertainty over Mr. Waite grew, sources in West Germany said that the police had arrested the brother of Mohammed Ali Hamadeh, 22, a suspected hijacker whose arrest in Frankfurt on Jan. 13 has been linked to the abduction of two West Germans in Beirut.

The sources said that Abbas Ali Hamadeh had tried to escape and that a person accompanying him was shot and wounded by the police.

The British government's concern was expressed a few hours after the archbishop of Canterbury, Robert Runcie, whom Mr. Waite represents, said, "We are all, of course, greatly concerned for Terry Waite, but we are all very concerned."

### Evidence Suggests Arms From U.S. Aided Iran

By Loren Jenkins  
Washington Post Service  
TEHRAN — U.S.-supplied weapons and spare parts may have played a major role in Iran's advances against the strategic Iraqi port of Basra, according to military analysts here.

Witnesses' reports from the front and examination of Iranian television film of the fighting east of Basra have convinced these analysts that Iran has greatly improved its capability in the use of the weapons systems that reportedly were the focus of U.S. sales of arms and spare parts to Iran in 1985 and 1986.

After three days of relative stalemate on the Basra front, Iran has claimed to have made an advance through Iraqi defenses protecting the Iraqi port city on the Shatt-al-Arab waterway.

The Iranian military high command Tuesday night said that Iran had launched a "new attack" against Iraqi defenses west of the Jasin River on Monday night and had managed to push another mile and a quarter (two kilometers) down the road from the Iranian border toward Basra in highly contested Iraqi territory.

The Iranians claimed to have captured the head of Iraq's 46th Brigade and to have "completely smashed" four Iraqi brigades. The claims could not be independently verified.

### Reagan Can't Recall Arms Approval

By Lou Cannon  
and David Hoffman  
Washington Post Service  
WASHINGTON — President Ronald Reagan has told the special review board investigating the procurement of the National Security Council that he does not recall giving prior authorization for the sale of U.S. weapons by Israel to Iran in 1985, according to a source.

Mr. Reagan also reiterated his public statements that the clandestine arms deal was part of a larger overture to Iran rather than a trade of weapons for hostages, according to the source and other officials familiar with the president's interview Monday with the board.

The panel, whose chairman is former Senator John G. Tower, Republican of Texas, was set up following revelations that the Reagan administration sold arms secretly to Iran and that some of the proceeds were diverted to benefit the Nicaraguan rebels, known as contras.

The panel is to present its report to Mr. Reagan on Feb. 19. Its two other members are Edmund S. Muskie, a former secretary of state, and Brent Scowcroft, a former national security adviser.

Mr. Reagan spent 76 minutes in his office with the three board members and "answered all of the panel's questions" about the development of the Iran initiative, his role and U.S. foreign policy "processes" in general, the White House announced.

## A Year After Crash, Uncertainty on Shuttle

By Kathy Sawyer  
Washington Post Service  
WASHINGTON — One year ago Wednesday, the space shuttle Challenger exploded 72 seconds after being launched. The forked plume of smoke it left in the sky above Cape Canaveral served as a grave marker for six astronauts and a teacher, and for many of the assumptions Americans had made about their space program.

The next flight of a shuttle is 13 months away, perhaps much longer. "The accident and the unmanned rocket failures that followed left the United States temporarily without a way to get into space. Thirty years after the Soviet Union launched Sputnik, the first artificial satellite, the U.S. space program is literally back to the drawing board, focusing on means rather than ends."

"While we sit and redesign our rockets, other nations are passing us by," a former astronaut, Joseph Allen, said last week.

## Families Plan Space Center

HOUSTON — The families of the crew members who died in the explosion of the space shuttle Challenger announced Tuesday that they intended to create a space learning center with branches around the United States.

A letter written jointly by the families said that because of the accident, "lessons were left untaught, scientific and engineering problems were left unsolved" and American children "must once again put their dreams and their excitement about the future 'on hold.'"

As a result, it said, the families of the seven crew members hope to create space learning centers throughout the United States called the Challenger Center. The center, said the letter, would allow pupils and teachers to work with equipment, conduct experiments, solve problems and become accustomed to space technology.

## Vatican Asks Debt Aid for Third World

VATICAN CITY — The Vatican issued a document on debt Tuesday, saying the West must reduce the Third World from bankruptcy but warning debtor nations that rash action could endanger the financial system.

The long-awaited document was the Vatican's first dedicated exclusively to an economic topic. It said industrialized and developing nations were both to blame for the world debt problem and had to share in solving it.

The 5,000-word document, prepared for Pope John Paul II by the Pontifical Commission on Justice and Peace, was called "At the Service of the Human Community: An Ethical Approach to the International Debt Question."

## Australian 'Way of Life' Is Luring South Africans

By Jane Perlez  
New York Times Service  
SYDNEY — Joelen Lasker, a social worker, and her husband spent a year scouting the world for a new home. Like thousands of other white South Africans, the Laskers ended their quest in Australia, a country she found similar to her birthplace but devoid of its strife.

"South Africans like the casual, laissez-faire attitude of Australians as opposed to Americans, for whom the work ethic dominates," Mrs. Lasker, 27, said at her new apartment near one of this city's most popular surf beaches. "South Africans are hard workers, but here they feel they have a choice."

The balmy climate and constant sunshine, the rugged landscape and the outdoor sports combined with what the newcomers refer to as the Australian "way of life" have made Australia popular among white South Africans who want to leave their country.

## We are the middle class — we were afraid for our own skins. We wanted to get out while we could.

—Julian Block, an immigrant from South Africa

A real estate agent on Sydney's prestigious North Shore says he gets almost daily inquiries from South Africans about homes. In the same neighborhood, the butcher advertises beerwurst, a spicy sausage popular in Johannesburg.

Along with Sydney, one of the most outdoor-oriented cities, Perth, on the west coast of Australia, has a flourishing colony of South African expatriates.

مركز من الأصيل

# Waite: 'I Could Be a Hostage'

## Missing Anglican Envoy Said He Knew of Personal Risks

**LONDON** — Terry Waite, the Church of England envoy who is reported to be under "house arrest" by kidnappers in Lebanon, spoke early this month about the risks he took to negotiate the release of hostages.

Mr. Waite, a lay representative of the archbishop of Canterbury, told Italian television that the negotiations often were conducted with a gun held to his back.

"When you get into a car, you never know whether you will be coming back again," he said, adding that he knew "that even I could be taken hostage and held prisoner with the others."

Mr. Waite, who arrived in Lebanon on Jan. 12 on his latest mission, vanished from his Beirut hotel a week ago. The Kuwaiti news agency KUNA said Monday that he had been detained after failing to reach agreement with kidnappers.

In the past five years, Mr. Waite, 47, has secured the freedom of 10 captives. His style is a blend of patience, sincerity and a schoolboyish sense of humor far removed from the dry formality of conventional diplomacy.

"The ability to establish personal relationships is crucial," he once said of his negotiating technique, which has worked in Iran, Libya and Lebanon. "All you need is common sense."

He impressed Libya's leader, Colonel Muammar Gadhafi, whose revolutionary government was holding four Britons in a tense period in 1985 after Tripoli and London had severed relations.

The two men discussed theology and world affairs for several hours, Mr. Waite has said. Within days, the hostages were freed.

"We should all be able to laugh at ourselves," he told an interviewer. "Gadhafi and I were able to laugh and joke together. It's a marvelous way of communicating."

Friends say the towering physical presence of Mr. Waite, who weighs 6 feet 7 inches (two meters) and weighs 238 pounds (107 kilograms), lends him instant authority in negotiations. But they also say he can coax a chuckle from the most dour assembly.

His skills have won the respect of professional envoys, such as one British diplomat who said: "He is as foxily as well as friendly and that is a winning combination."

Terry Hartly Waite, the son of a village policeman, was born May 31, 1939, at Snyal, in Cheshire County, northern England. He

left school at age 16, briefly joining the army until an allergy to khaki dye caused his departure.

After earning a degree in theology, he worked as a preacher to the bishop of Bristol. In 1968 he went to Kampala, Uganda, where for three years he was the assistant to the first African archbishop of Uganda, Rwanda and Burundi, helping the church negotiate with the Ugandan regime of Idi Amin.

In 1972, Mr. Waite moved to Rome and spent seven years as a consultant to Roman Catholic orders. He traveled through the Third World on missionary and development work.

In 1980, the Most Reverend Robert Runcie, archbishop of Canterbury and spiritual leader of 65 million Anglicans worldwide, offered him a post.

He became secretary of Anglican affairs, communicating with overseas churches, arranging the archbishop's travel and helping to formulate church policy on foreign matters.

Mr. Waite's first success in negotiating the release of hostages was in 1981, when he helped to free three Anglican missionaries detained in Iran after the Islamic revolution.

He went to Tehran to discuss the case with Ayatollah Ruhollah



Terry Waite being guarded by a Druze militiaman while meeting with Lebanese officials recently in Beirut.

Khomeini and won the admiration of revolutionary guards by accepting a challenge to arm-wrestle, and winning.

After his success in Libya, early in 1985, he was asked to help free American and other hostages held in Lebanon by guerrillas of the Islamic Jihad fundamentalist group.

# Tambo Says ANC Won't Forgo Use Of Violence

By David B. Ottaway

**WASHINGTON** — The leader of the African National Congress, which is fighting for black-majority rule in South Africa, has declared that he sees no way his organization can forgo violence as long as Pretoria continues the apartheid system of racial discrimination.

"I can think of no conditions in which we would suddenly call it off while apartheid continues," said Oliver Tambo, the organization's president, who is here to meet with Secretary of State George P. Shultz on Wednesday.

Mr. Shultz, during the first meeting of a senior U.S. official with the guerrilla organization, is expected to raise the issue of the group's commitment to violence as well as its close affiliation with the South African Communist Party. Conservatives have been attacking Mr. Shultz for meeting with the leader of a terrorist organization.

Mr. Tambo said Monday at a news conference that until 1961 — 49 years after its founding — the African National Congress had limited its political struggle to non-violent means but that this tactic had failed. "So we had to embrace this additional method, the armed struggle," he said.

"If it was possible to obtain our political objectives without violence, I would denounce it," he said. But in the "practical situation" prevailing in South Africa today, he added, "of course, it's not thinkable."

Mr. Tambo expressed irritation at having to defend his group's resort to violence and pointed to what he called "the violence of apartheid." He said he does not understand why Americans think the organization is the only "violent factor" in "this whole apartheid equation" and why it has to defend its methods while the South African government, using similar means, does not.

Tambo Mbeki, the group's information director, said there are "no constitutional ways" open to the organization for achieving its political objectives and noted that it has been banned since 1960.

Mr. Mbeki also ruled out the possibility that the organization would eliminate Communist Party members and sympathizers from its executive committee just to please the United States. A recent State Department report said that "roughly half" of the 30 members of the executive committee of the African National Congress were known or suspected Communist Party members.

Sanctions Criticized

Sanctions against the South African government have been counterproductive, actually moving attention away from changing discriminatory laws, a report by the nation's Roman Catholic bishops said Tuesday, United Press International reported from Johannesburg.

The Southern African Catholic Bishops Conference report said that international economic pressure to force an end to apartheid instead "has consolidated government in its retreat from meaningful and, indeed, any reform."

The report said that "inordinate energy" was being devoted to fighting the economic sanctions imposed against Pretoria.

Most whites applauded the government's counter-measures "rather than addressing the problems that lead to these steps in the first place," the report said.

# WORLD BRIEFS

## India Tries Cricket Diplomacy on Zia

**NEW DELHI (AP)** — Prime Minister Rajiv Gandhi, in a diplomatic effort at a time of border tension with Pakistan, is inviting President Mohammad Zia ul-Haq of Pakistan to attend a cricket match in the current India-Pakistan series, a legislator reported Tuesday.

The invitation to General Zia, a cricket enthusiast, was made as troops were stationed on both sides of the border in forward and defensive positions in full battle preparedness. India sent troops to the border between Punjab state and Pakistan last week after accusing Pakistan of failing to withdraw troops after winter exercises.

The invitation is being carried by N.K.P. Salve, a legislator from Mr. Gandhi's Congress (I) Party. Indian government radio, meanwhile, said Mr. Gandhi had sent assurances to General Zia that India did not want any escalation of border tensions.

## Peres Urges More EC Aid to Arabs

**BRUSSELS (UPI)** — Israel's foreign minister, Shimon Peres, urged the European Community on Tuesday to help the Middle East peace process by increasing economic aid to moderate Arab states.

"Nothing threatens the prospect of peace more than the economic crisis that is now spreading through the region," Mr. Peres said at a news conference after two days of talks with EC foreign ministers. The foreign ministers, reassessing Middle East policy, are to meet next month to decide whether to begin a diplomatic initiative in the region.

Mr. Peres said the EC could "play an increasingly important role" by promoting economic development in moderate Arab countries. He also called on the community to help persuade Arab leaders to negotiate directly with Israel.

## Walesa Criticizes Warsaw on Economy

**WARSAW (UPI)** — Only a revival of the trade union Solidarity can restore economic growth in Poland's economy, according to the banned movement's founder, Lech Walesa.

"There has been neither efficiency, order, nor common sense in the economy," Mr. Walesa said by telephone Monday from Gdansk. It was one of his harshest recent criticisms of the government's management of the economy, which he said "has been damaged for more than 40 years by the monopolistic rule."

"The ban on union pluralism is accompanied by apathy," he said. "A difficult time is ahead of us." He said the rate of inflation, which in 1983 was more than 400 percent and last year about 20 percent, had hurt workers most.

## French Communist Quits Party

**PARIS (Reuters)** — The French Communist Party, upset by electoral decline, was shaken Tuesday by the resignation of one of its most influential members of the Central Committee.

Marcel Rigout, a wartime Resistance hero and one of four Communist Party members to serve as minister in the previous government of Socialist and Communist coalition, resigned his position on the committee to protest the party's leadership and criticized it as stifling dissent. He also of down as one of only 35 Communist deputies elected in March in the National Assembly.

The resignation, announced at the end of a two-day meeting, came a day after the departure of another leading Communist, Claude Poperen, resigned his Politburo post Monday between supporters of the party's general secretary, Georges Marchais, and a group of dissidents.

## Belgian Soccer Chief Charged

**BRUSSELS (Reuters)** — The secretary-general of the Belgian soccer union was charged Tuesday with mismanagement following the Heysel stadium disaster in May 1985 in which 39 people died.

Albert Roosens said that the charge alleged administration of ticket sales for the European Cup final between Liverpool and the Italian team Juventus, which broke out between rival fans.

Mr. Roosens said he did not know when he would face the charge.

## MANILA: Coup Attempt

**(Continued from Page 1)**

It was long to the members of the first cabinet.

The first cabinet of Arturo Tolentino, under the Marcos government, declared the formation of a government to Mrs. Aquino's.

He was backed by civilian supporters of Mr. Marcos, four generals and about 300 soldiers.

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## SOVIET: Election Proposals

**(Continued from Page 1)**

compulsory for all lower party committees, including those on personnel matters, should remain unshakable.

He suggested holding an unusual national party conference in 1988, the first such session since 1941. Diplomats said it probably would endorse changes in the membership of the Central Committee to give Mr. Gorbachev firm control of the party.

Party congresses, which are held every five years, are the only body that can elect new Central Committee members. The last congress was held in 1986 and left Mr. Gorbachev, who assumed power in 1985, with increased but not absolute control of the Central Committee.

Changes Expected

Rumors of change in the Politburo have circulated for several months, United Press International reported from Moscow on Tuesday.

It appeared certain that a broad-based appointment, Dismukhmedov A. Khamatov, removal as leader of Kazakhstan in December caused rumors there, would be removed by the Politburo.

Another holdover who Western diplomats say they believe will be removed is Vladimir V. Shcherbitsky, the Ukrainian Republic party leader. Criticism of Mr. Shcherbitsky was published in major newspapers last weekend.

Among other personnel changes expected at the Central Committee plenum was the elevation of Boris N. Yeltsin, the Moscow party leader and a Gorbachev appointee, from nonvoting status to full membership in the Politburo.

Western diplomats said they also expected Anatoli F. Dobrynin, the former ambassador to the United States and now a foreign policy adviser to Mr. Gorbachev, to be named a candidate member of the Politburo.

# AUSTRALIA: Refuge of Choice

**(Continued from Page 1)**

coincided with a relaxation by the Labor government of stringent immigration rules of the past decade that kept out even highly skilled professionals. Now, immigrants whose professions are in high demand in Australia — nurses, computer analysts, accountants and middle-level newspaper editors, among others — have a relatively easy time getting in without an employer sponsor.

Corporations facing a shortage of top managers have gone head-hunting in South Africa. Two prominent recruits include the recently arrived chief executive of one of South Africa's largest insurance concerns, Liberty Life, and the chief executive of International Gold Corp.

Many of the South Africans choosing Australia are middle- and upper-class families who saw no future in their home country,

# ARREST: Brother of Suspect

**(Continued from Page 1)**

Ibrahim Herbollah (Party of God) faction in Lebanon. However, West German investigators are known to believe that the kidnappings of the two businessmen, Rudolf Cordes and Alfred Schmidt, are probably motivated largely by family loyalties.

The Hamadeh clan is one of the largest Shiite Moslem families in Lebanon and has its roots in the bleak plain east of Baalbek near the Syrian frontier. It has produced a number of political chieftains, including the late Sabry Hamadeh, who served in Beirut as the speaker of the Lebanese parliament.

Abbas Ali Hamadeh has West German citizenship through his marriage, in 1979, to a German woman from whom he is now separated. He had been living in the Sarsland town of Merzig at the apartment of another Lebanese, Hanna Kassim.

The police raided the Kassim home early Monday morning with a warrant linking its occupants to the Beirut kidnappings.

# BEIRUT: Fears for Waite Deepen

**(Continued from Page 1)**

confirm nor deny reports that he had met with one of the key figures in the arms controversy, Lieutenant Colonel Oliver L. North. "It is the responsibility of a negotiator to be in touch with a wide group of people," he said. "My mission to release the hostages has always been based upon humanitarian grounds and at no time have I ever had any dealings in arms or money."

In December, he would neither

# GULF: U.S. Arms May Play a Role

**(Continued from Page 1)**

grounded at the start of the war for lack of parts are back in the air, a foreign analyst said.

Iranian communiques have claimed more than 50 planes shot down over the battle lines since Jan. 9. Whether Hawk anti-aircraft missiles have accounted for some of the Iraq losses remains unclear.

'Positive Sign'

President Hosni Mubarak of Egypt and President Hafez al-Assad of Syria entered the 46-nation Islamic Conference Organization summit meeting Tuesday walking hand-in-hand, United Press International reported from Kuwait.

King Hussein of Jordan, addressing the meeting, urged Moslem leaders to stop the Iran-Iraq war, but delegates said there was little hope that a workable peace plan would emerge from the conference.

Mr. Mubarak and Mr. Assad have been at odds since Mr. Mubarak's predecessor, Anwar Sadat, visited Jerusalem in 1977. But witnesses said they entered the heavily guarded conference hall holding hands, followed by members of their delegations.

The witnesses said that while there was no immediate indication that the encounter between the leaders of two of the Middle East's most influential nations marked a reconciliation, the hand-holding was a "positive sign."

In an interview with the United Arab Emirates semi-official newspaper Al-Itihad, Mr. Mubarak described Mr. Assad as a "good friend" and said he was ready to "shake hands with him."

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# REAGAN: No Prior Authorization

**(Continued from Page 1)**

led Secretary of State George P. Shultz in Tokyo last year about the arms sales to Iran.

Mr. Shultz said Mr. Shultz had received word from another State Department official last spring that Adnan M. Khashoggi, a Saudi businessman, and other arms dealers were financing a deal to sell American arms to Iran.

Mr. Shultz then asked Mr. Regan what he knew about that, and Mr. Regan said he "does not know, it does not ring true to him" and that "he would check into it," Mr. Shultz said.

Although Mr. Regan had been aware of the general plan to sell arms to Iran, Mr. Shultz said, he had not been aware of Mr. Khashoggi's role, and that is why he answered Mr. Shultz's question as he did.

"There was absolutely no attempt whatever on Don Regan's part to keep Shultz from finding out the facts," Mr. Shultz said.

Shultz Confirms Meeting

Mr. Shultz told Congress on Tuesday that he had authorized two administration representatives to meet with Iranians on Dec. 13 in West Germany to formally transmit word that the United States would no longer allow the transfer of U.S. arms to Tehran. The Associated Press reported from Washington.

Since then, Mr. Shultz said that "there isn't any contact in that channel" between the Reagan administration and the Iranian government, although the two sides have dealings through an international claims tribunal and in "other ways," which he did not identify.

His comments, in public testimony before the Senate Foreign Relations Committee, confirmed reports of private testimony Mr. Shultz gave last week.

Mr. Shultz also reiterated that it was U.S. policy that "there will be no further exceptions" to the U.S. attempt to embargo arms to Iran.

Mr. Shultz's testimony came the morning after Hashemi Rafsanjani, the speaker of Iran's parliament, said in an interview on U.S. television that a State Department emissary met with Iranian arms buyers as recently as "a few weeks ago."

Swiss Inquiry Delayed

The Swiss Ministry of Justice said Tuesday that the investigation requested by the United States of any Swiss connections in the Iran-contra affair is being delayed by at least eight reports by various parties. The AP reported from Bern.

The parties, who were not identified, now have until mid-February to back up with detailed arguments their appeals against a federal police order requiring bank secrecy rules to allow the investigation.

# French Teachers Stage Strike

**PARIS** — French teachers staged a 24-hour strike Tuesday to protest government plans to increase disciplinary powers for school principals and to raise their claims for increased wages. The stoppage closed most of the country's 76,000 primary and secondary schools.

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Poorer Than the Debtors

Unpaid, allegedly unpayable debt haunts the headlines, with Brazil and the Philippines now prominent, but there is less in their recent agreements with creditor governments than meets the eye.

finance essential development projects simply from their own savings. Unhappy marriages can survive irritation. Rather than search for some magic general solution, debtors and creditors probably have to continue ad hoc arrangements.

Endless Risk in Beirut

Understandably, American responses to hostage-taking in Lebanon are hardening. Civil authority in that shattered country has vanished. Every Westerner still in Beirut surely knows the risks.

are now captive—the only way to end this barbarous practice is to refuse to reward it. That does not preclude contacts with hostage-takers nor a willingness to consider each new case on its own.

Modest Victory for Kohl

West Germany's government has won reelection safely, but not quite so grandly as it had expected. Germans voted for things as they are, but without notable enthusiasm.

ly about serious issues. The main opposition party, the Social Democrats, is preoccupied with deep internal disputes over, among other things, nuclear weapons.

Other Comment

Mixed Blessings in Germany Sunday's elections were not a catastrophe for Helmut Kohl. The chancellor can continue to govern, though under considerably more difficult conditions.

ment fed mainly by undemocratic protesters. They have grown to a size that must be taken into account. And the Social Democratic Party can no longer ignore demands from its rank-and-file to clarify its relationship to the Greens.

INTERNATIONAL HERALD TRIBUNE

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OPINION

Either Regan Goes or Things Get Worse

By David S. Broder

WASHINGTON — President Regan gave his version on Tuesday of the state of the union. In the process he allowed viewers their first extended look at him in more than two months, and let them judge for themselves the physical and emotional state of the president.

The Post last week, Mr. Regan said through a spokesman that he had no recollection of the conversations with Mr. Shultz but would not dispute Mr. Shultz's account. That evasion is supposed to satisfy everyone.



The Thugs Are Going Scot-Free

By Drew Middleton

WASHINGTON — As a nation the United States has taken to sitting around wringing its hands and whining about the latest indignities inflicted on Americans by gangs of Arab thugs operating under a cloak of Islamic sanctity.

Economic sanctions would be the first step toward redistribution. But it might be possible to force the issue, the others in the Middle East and America's allies in Europe that if these outrages continue the United States will not recoil from the use of force. There is no need to tell them how force will be used.

Forging a Closer Relationship With Eastern Europe

By Milan Svec

WASHINGTON — A strong case can now be made for reinvigorating U.S. relations with Eastern Europe. The region is at a critical juncture, and the Reagan administration has made a timely appointment in giving a high-level official, Deputy Secretary of State John Whitehead, special responsibility for policy there.

There may be sound reasons for this, but unless Washington can clearly state them, it is sure to send the wrong signals to the Eastern bloc. East Europeans will surmise that there is no policy of differentiation, that Washington is simply not paying attention or that it cannot make timely adjustments in its policies.

Chemical Arms: U.S. Restraint Was Not Infectious

By John C. Anland

This is the second of two articles.

OSLO — If you want evidence that the Soviet Union does not imitate voluntary restraint by the United States, you need only to examine the case of chemical weapons. In 1969, the Nixon administration stopped the production of chemical weapons that could hit targets well behind the front lines without firing aircraft pilots to anti-aircraft fire.

It pulls the teeth of German opposition to modernization of the U.S. chemical stockpile. But one must wonder why the United States should produce weapons for the defense of Europe when European governments are not prepared to cope with domestic opposition to these weapons.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Opera Alliance?

BERLIN — Negotiations are in progress for a German-American opera alliance. An emissary of the Kaiser's Royal Opera, Herr Winter, has gone to New York with a view to entering into a working arrangement with the Metropolitan Opera House.

1937: Transient Empire

LONDON — The belief that "white domination" over the world had reached its highwater mark was expressed by Colonel Theodore Roosevelt in the first lecture of a series on colonial problems at London University [on Jan. 27].

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OPINION

A Ten-Year Cycle Catches Deng Perilously Halfway

By William Safire

WASHINGTON — A Chinese pundit, examining American political turmoil, could advance a "Dozen-Year White House Fool-up Cycle."

This is how the D-YWHF Cycle works: In 1949, Harry Truman began to permit the series of ethically blind pre-arrangements by his cronies that led to "the mess in Washington" and the collapse of his poll ratings. A dozen years later, John Kennedy, eschewing air cover, went along with the scheme to overthrow Fidel Castro at the Bay of Pigs.

A dozen years after that, Richard Nixon enmeshed himself in the cover-up that capped Watergate, and 12 years

later, the comet came roaring back to the White House with Ronald Reagan's 1985 scheme to swap arms for hostages.

Looking at the regular upheavals in China, an American pundit would chart the "Ten-Year Chinese Dong Tang Cycle" (dong tang means "turmoil").

In 1946-48, the Communists overthrew the Kuomintang; 10 years later Mao clobbered the economy with his Great Leap Forward; in 1966, Maoists hot to purge the revolution of its capitalist elements brought on the Cultural Revolution; in 1976, when Mao died, his Gang of Four was ousted by the same crowd thrown out a decade before.

Now, 10 years and a few months later (the T-YCDT Cycle works better on a Chinese calendar), the man who led the fight against the Maoist Gang of Four is himself tottering. Deng Xiaoping, 82 and no longer universally described as "feisty," has had to throw his chosen successor, Hu Yaobang, to the wolves.

But who are the wolves in the Year of the Rabbit? Were mere student protesters and intellectuals able to bring on the yellow Perils of Pauline? Or will the aftermath be more severe — and then will Mr. Deng and his capitalist-rusult philosophy be able to survive the turmoil predicted by the Dong Tang cycle?

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State of the Union

Russia's Babushkas Got the Forecast Right

By Martin Walker

MOSCOW — My wife was worried. I had got home late from the office, partly because it was so cold that it took a long time to start the car, and also because the drive home was treacherous and slow. "The hot water has been off for three hours, and now the heating pipes are cold," she said.

The flat was cooling fast. I kept my coat on as I checked with neighbors that their heating had also gone off. I rang the Russian caretaker, who said that the emergency services were working on it.

What about our children? Keep them in bed, well wrapped up, and put their fur hats on, was his advice.

Outside it had just hit minus 40 degrees centigrade (minus 40 Fahrenheit). That is very cold indeed. In our all-electric flat we could not even turn the gas taps on. I remembered what Russian friends had said about the last big freeze when whole blocks of flats were evacuated. But then there was a groaning in the pipes and the warmth began to return. I felt like cheering.

Normally I relish the approach of a Moscow winter. I have taken up cross-country skiing here, and have learned to love the Russian landscape under snow, that astonishing radiance of the winter sun filtered through the bare birch trees, the taste of cold vodka after a long run, the sweet pain of warming at a picnic fire deep in the forest.

This year it has not been like that. We had snow in September which lasted for two days and then gave way to an Indian summer. In November and December we had snow that melted in sudden thaws. It was wet, cold and nasty.

The babushkas, the all-powerful and all-knowing Russian grannies who really

run the country, began to prophesy last summer that this winter would be the coldest and most fearsome for years.

The squirrels began collecting their nuts early and in unheard-of quantities, they said. The red berries in the forests were two and three times more plentiful than usual, an infallible sign that Mother Nature was preparing winter food stocks for the poor birds. Certain kinds

of mushrooms were thick on the ground this autumn, they said. I forget what it was the pine cones were said to be doing, but it was another reliable sign that this winter was going to be a real stinker.

Forty degrees below freezing, the babushkas cackled. They poked me hard in the chest and said, "Don't let me see you or your children going around without a good fur hat, young man."

Forty degrees below freezing. I last came across that kind of temperature when I was in central Siberia, about a thousand miles north of Lake Baikal. And there I heard the mystical, marvelous sound that the Russians call the "whisper of the stars." It is the rustling and crackling noise your breath makes as you exhale and the water vapor instantly freezes into ice crystals and falls tinkling to the ground.

Siberians are quite mad when it comes to winter. Having listened to the whispering of the stars, I was ready to get back in the jeep and cover around the heater. My host insisted on a picnic. I was put in charge of the spirit, a

Siberian super-vodka that is as near pure alcohol as makes no difference. In my view, it is spirit that explains the success of the Soviet space program. Rocket fuel cannot compete.

I nursed the spirit while my hosts built a fire, piled snow into the cauldron and began to whittle flakes of deep-frozen fish into what became a delicious stew. Some salt, some potatoes and dried herbs, a few slugs of spirit and we became a very merry party.

Then it came time to take a pee. I trudged through the snow to a discreet distance and began a long process of unbuttoning layers of garments. Finally all was ready and I watched in disbelief as a thin but sturdy stalagmite of quick-frozen urine ascended toward me.

At moments like this your entire past life tends to flash before you — or at least those bits where knowledgeable people told you about frostbite, what it did to the affected part, and whether the damage was reversible. At this point memory failed me and panic ensued.

I began to flounder slowly backward, away from this growing pillar of ice. It followed with obvious menace. I retreated further, tripped and fell, just as Siberia's rival to the leaning tower of Pisa collapsed onto the snow and lay there in the shape of a large question mark.

Understandably shaken by this experience, I hurried back to the campfire, where my friends had become so hysterical with laughter that one of them fell over and knocked down the last bottle of spirit, which probably was just as well.

The writer is the Moscow correspondent of The Guardian in London, from which this has been adapted.

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The Numbers in Taiwan

We agree with the general tone and the broad conclusions of the opinion column by Harvey J. Feldman on political developments in Taiwan ("Taipei Inches Along Road to Democracy," Dec. 30), but we wish to point out some inaccuracies. Some of these points may seem minor, but to us they illustrate the approach of the U.S. government to the question of democracy in Taiwan. The inaccuracies are these:

President Chiang Ching-kuo's interview, in which he announced that martial law would be lifted, took place Oct. 7, and not Oct. 14.

Martial law has been in force on Taiwan since May 19, 1949, not since 1948.

The Democratic Progressive Party, by electing 12 of 19 candidates, doubled its seats in the Legislative Yuan, not in the National Assembly. There were elections for the assembly, and in these, 11 of the party's 25 candidates were elected. But the assembly is largely a dormant body, not least because it includes 900 elderly "permanent representatives" first elected in mainland China in 1947.

Finally, the party's candidates in the Legislative Yuan elections ran first in

five of the eight, not seven, electoral districts into which Taiwan is divided.

GERRIT van der WEES, Chief Editor, Taiwan Communicat. The Hague.

Others Who Would Leave

Attention has been given in the press to Soviet émigrés who have chosen to return to rodnina — the motherland — often with airline tickets paid for by the KGB. This is of only peripheral relevance to what is really at stake: the freedom to choose. At issue are the fundamental human rights of the tens of thousands of Soviet citizens who, given the option, would flee a society that they find oppressive. No assurances were given to anyone that life in the West would be paradise on earth. But for many, life in some places is better than in others.

All human beings have the right to determine where and under what conditions they want to live, a fact that Soviet emigration policy seems to overlook. When Mikhail Gorbachev speaks of glasnost, or openness, is he willing to open the doors and "let his people go?"

NORVAL V. LOFTUS III, Paris.

LETTERS TO THE EDITOR

The Name of the Shogun

In "The Japanese Inspector Maigret" (Dec. 11), Christine Chapman makes mention of one "Saigo Takamori, the last shogun..."

The claim that Saigo Takamori (the spelling he would have preferred) was the last shogun, or military dictator, of Japan will be news to the people of that nation. Takamori, in fact, was prominent in the Satsuma clan which, in league with other groupings, brought about the downfall of the last shogun, Hitotsubashi Keiki, and the restoration of administrative power to the throne (and those behind it).

HANS E. DULDNER, Vienna.

No 'Aid' for Africa

I agree about the need for increased assistance to Africa (Other Comment, Jan. 22), but a change of attitude is needed in the West. Developed countries help themselves by helping Africa, since Africa is potentially a big market. The term "aid" suggests charity. Assistance to Africa should instead be regarded as a long-term investment.

PARIS

Letters to the Editor

In general, the best way to keep an economy healthy is to regard the whole world as one unit. Forget national boundaries, develop long-term policies and learn to be patient.

K.P. SHAW, London.

South Africa's Squatters

I was surprised by the caption under a photograph in your Jan. 7 issue, "Pretoria Demolishes 50 Homes." This implied that rendering people homeless is an explicit policy of the South African government. As the accompanying text made clear, it was the Soweto Council (which is black-run) that had its own policy demolish the squatters' shacks. The council, furthermore, was acting at the request of blacks who owned homes nearby. Squatter camps are a problem throughout the Third World. Misrepresenting such problems does not help.

LAWRENCE HAAR, Marshalltown, South Africa.

Pardons Here and There

In "The Pardon as an Index of Tyranny" (Jan. 10), Charles Krauthammer

overlooks President Gerald Ford's pardon of a high-ranking Watergate official as an example of his theory. It misfits his free-currency criterion.

FRANZ HJ. WEHEBRINK, Meppen, West Germany.

How easy it is to spot the mote in the other fellow's eye and miss the beam in one's own. Mr. Krauthammer mentions Mikhail Gorbachev's release of Andrei Sakharov and Nicaragua's release of Eugene Hasenpus, but what about President Ford's blanket pardon of Richard Nixon and the recent exemption of General Dynamics from prosecution? Both are blatant instances of pardons as an index of government tyranny.

GEORGE WALD, New Delhi.

Down With Imperialism

Since your readers are taking an active part in deciding editorial policy of the newspaper, from sports to horoscopes, may I add my two-pennyworth and suggest that you drop the use of imperial measures and use metric only?

F.J. JOHNSTON, London.



1987 good reasons to see Thailand this year

Majestic temples and magnificent elephants, glittering roofs and garlands of orchids, enchanting people and exotic cuisine...one could write a long book about the land they call Thailand (and many seasoned travellers have). And never has there been a better year to see Thailand than 1987. For this is Visit Thailand Year in the Land of Smiles.

Among the kaleidoscope of festivities planned for 1987 you should try to catch some of these:

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April 13. Songkran Festival. A nationwide water festival celebrating the Thai Lunar New Year.

May 9-10. Bun Bang Fai Festival. "Bang" indeed. Held in northeast Thailand, a fireworks show like no other you've ever seen.

Oct. 16. Royal Barge Procession. An armada of brilliant colours, pagantry and rare splendour not to be missed.

Nov. 5. Loy Krathong. Celebrated nationwide, this is Thailand's loveliest festival.

Nov. 14-15. The Elephant Round-Up. Ever seen 100 elephants enact a medieval War Parade? You will if you come to Surin in northeast Thailand for this extraordinary display.

Nov. 22. Bangkok Marathon. A major sporting event commemorating His Majesty the King's 60th Birthday Anniversary.

Dec. 15. Light and Sound Presentation. A glittering occasion to be held at the Royal Grand Palace and the Temple of the Emerald Buddha.

These are only a small selection of the truly stunning special events that mark 1987 as Visit Thailand Year — a year full of festivities, flowers and fireworks.

Make your holiday plans now. And make sure you fly on Thailand's own airline, Thai International. Where the exotic sensations that are Thailand start from the moment you step on board.



Advertisement for Cartier Vendôme cigarettes. The ad features a pack of cigarettes with the Cartier logo and the text 'le mut de Cartier' and 'PEARL TIPPED LUXURY SLIM CIGARETTES'. The background is dark with some light effects.

Handwritten Arabic text at the bottom of the page: 'مركزنا للأعمال'.

# Spain Student Boycott Grows; Teachers Strike, Citing Wages

**MADRID** — Disruption spread in Spain's high schools Tuesday, with students continuing to boycott classes and teachers beginning their own strike, officials and unions said.

Several thousand teenagers rallied in Madrid's central Puerta del Sol square and poured red dye in its fountains to protest police action during a student march in Madrid on Friday at which 25 persons were hurt.

Demonstrators blocked streets, causing traffic tie-ups in the center of the capital. Teen-agers stoned a police van and a government building and pelted a policeman with oranges. Six youths were detained.

Nearby, hundreds of teachers demonstrated outside the Education Ministry to protest planned

rules changes that they said would set different wages for teachers doing similar jobs.

An Education Ministry spokesman said the teachers' strike affected 20 percent of state schools in Madrid but had little effect in the provinces. Students boycotted classes in 75 percent of Madrid schools and 35 percent of provincial schools.

The students demanded the resignation of Interior Minister José Barrionuevo Peña, whose ministry is in charge of public order.

The marchers they headed toward a hospital where a 15-year-old girl shot during the Friday demonstration was being treated, but they dispersed because of rain.

The protest Tuesday was called by the Student Coordinator organization, which supports an indefi-

nite strike to press demands for free access to university and for increased social benefits.

The rival Students' Union said its own strike on similar demands, which began a week ago, could end Wednesday, after talks between students and Education Minister José María Maravall Herrero.

The education minister, who agreed Monday to the students' demand to negotiate directly with him, said he wanted to reach an agreement this week. He said he would offer students an increase in the number of places in high schools, more scholarships and a greater say in education policy.

Javier Solana Madariaga, the minister of culture, said the Socialist government was concerned about student unrest and would make generous offers on scholarships and professional training.

But the three-day strike by teachers in state schools and a two-day strike by their teachers in private schools that was to begin Wednesday were expected to prevent a return to classes.

The government's rejection of the students' main demand — the admission to university without examinations — also made it unlikely that the unrest would end quickly.

Officials and unions said the student strike was warning in the provinces on Monday.



Students demonstrating in Madrid burned newspapers on Tuesday to protest the press coverage they had received.

# Alliance in U.K. Issues Program

## Liberals, Social Democrats End Split, Open Election Drive

By Karen DeYoung  
*Washington Post Service*

**LONDON** — Britain's Social Democratic and Liberal parties have released a common campaign program that they said marked the end of their policy divisions and the beginning of an effort to win the balance of power in the next nationwide vote.

The two minority parties, joined together in an electoral partnership known as the Alliance, said Monday that they want to steer Britain toward a coalition government in which they would become the junior member.

Conservative Prime Minister Margaret Thatcher is not required to call an election until the middle of next year, but there is widespread speculation that the vote will be held this year. Each of the party groupings — the Conservatives, the main opposition Labor Party and the Alliance — already has geared up its campaign machine.

In a news conference Monday, the Liberal leader, David Steel, and the Social Democratic leader, David Owen, launched a week of campaign activities that will culminate in a rally Saturday for already named candidates in each of Britain's 630 parliamentary districts.

Mr. Steel and Mr. Owen asserted that Britain has become polarized

into "right and left, rich and poor, north and south" under the alternating post-World War II stewardship of Labor and the Conservatives.

The alliance enjoyed a surge of popularity in 1985, when it increased its share of the vote in local government elections. But it now appears unable to raise its nationwide rating above about 20 percent of the electorate.

Part of the problem has been the extremely public divisions between the two partners on several crucial issues, including military policy. When the two Alliance parties had their separate party conferences last fall, they were unable to agree on whether Britain should phase out its independent nuclear weapons force once its backbone, the aging Polaris submarine system, becomes obsolete.

Mrs. Thatcher already has ordered new weapons — the U.S. Trident system that would expand the British force by eightfold — to be installed during what would be her third term in office. Labor has pledged that it will do away with Polaris immediately on taking office, and will cancel the Trident order and do away completely with Britain's nuclear arsenal, as well as expelling all U.S. nuclear bases in Britain.

The alliance parties chose not one, but two middle roads, with the Liberals calling for a natural phase-out of Polaris, and a commitment not to replace it. The Social Democrats eschewed Trident, but called for a new system comparable to Polaris.

An agreement now has been reached after months of negotiations. "We would cancel Trident," Monday's statement said, "but would maintain with whatever necessary modernization our minimum nuclear deterrent until it can be negotiated away, as part of a global arms negotiation process, in return for worthwhile concession by the U.S.S.R. which would enhance British and European security."



David Owen

# Acquittal of Lambsdorff Asked on Gravest Charge

**BONN** — The prosecution recommended the acquittal Tuesday of the former West German economics minister, Otto Lambsdorff, on charges of corruption.

Dieter Irsfeld, the state prosecutor, said in Bonn District Court that Mr. Lambsdorff, Hans Friderichs, Mr. Lambsdorff's predecessor as economics minister, and Eberhard von Brauchitsch, a former general manager for the Flick holding company, all should be cleared of the corruption charges.

Mr. Irsfeld said the prosecution would seek convictions of the three on the lesser charge of tax evasion on political party donations. The judge is due to announce a verdict in the 17-month trial on Feb. 16.

Speculation about a return of Mr. Lambsdorff to the cabinet, possibly with his former portfolio, has mounted since Sunday's general election, in which his Free Democratic Party increased its strength in Chancellor Helmut Kohl's center-right coalition government.

Mr. Lambsdorff told a radio in-

terviewer Tuesday that he was in no hurry to be back in the cabinet, but said that a conviction for tax evasion "would not stop me from pursuing further political activities of whatever sort."

He and Mr. Friderichs were accused of taking bribes totaling 510,000 Deutsche marks (currently \$280,000) for the Free Democrats from Mr. Brauchitsch from 1975 to 1980 in return for a tax waiver on the sale of Flick's stake in Daimler Benz.

Their acquittal has been widely expected since July 1986, when the court rejected a prosecution request to call more witnesses on the ground that there was no chance that further testimony would lead to a conviction.

The prosecution has until Friday to sum up its case and has yet to say what penalties it will seek on the tax-evasion charges. Mr. Lambsdorff and Mr. Friderichs face heavy fines if convicted and Mr. Brauchitsch could receive a prison sentence.

Mr. Lambsdorff succeeded Mr. Friderichs as economics minister in 1977 and resigned in June 1984 when he was ordered to stand trial.

He remains active in his party and in parliament, where he is the Free Democrats' economic policy spokesman, and frequently has outshone Martin Bangemann, who took his place in the cabinet conceding that he knew little about economics.

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# U.S. Questions Depth of Soviet Changes

**VIENNA** — The United States tempered its criticism of the Soviet Union at the 35-nation European security conference Tuesday but questioned whether genuine change was being brought about by the Soviet leader, Mikhail S. Gorbachev.

In response, the chief Soviet delegate insisted that "important and deep-rooted changes" were happening in the Soviet Union.

The exchange took place at the third Conference on Security and Cooperation in Europe, which opened in November, resumed after its mid-winter break.

The chief U.S. delegate, Warren Zimmermann, said: "The Soviet Union is a different place than it was two years ago." He cited moves to bring corrupt officials to account, to invite émigrés to visit and to come to terms with elements of the past such as Stalinism.

Mr. Zimmermann went on to ask, however: "Is what we are seeing superficial or profound? Is it

the reality or just the appearance of change? The answer is not obvious. The picture remains mixed."

The head of the Soviet delegation, Yuri Kashlev, said, "It seems as though the U.S. delegation must have flown in from Mars." Mr. Kashlev added: "There are important and deep-rooted changes happening in the Soviet Union. These are coming from the Soviet people themselves."

In contrast, he said, there appears to have been no change in the West on social ills such as unemployment.

Mr. Zimmermann complained of Moscow's treatment of political prisoners. More than 35 human rights activists who set up a group to monitor compliance with provisions of the Helsinki Final Act remain in jail, and there are many other such prisoners, he said.

One purpose of the European security conferences is to review and strengthen the 1975 Helsinki document on human rights and European cooperation.

Mr. Zimmermann acknowledged that some progress had been made regarding reunification of families. But he also pointed to a drastic drop in Jewish emigration from the Soviet Union in 1986 and condemned as "inherently restrictive" a new emigration law.

He concluded: "We have heard predictions and promises from Soviet officials — on a cultural renaissance, on the release of political prisoners, on genuine openness. They seem to be telling us that Soviet society is at a turning point. But will it turn? The evidence is not conclusive."

After a week of further discussion on previous records, the delegates will turn to new proposals for cooperation in Europe. They also are expected to discuss plans for a new conference on limiting conventional forces in Europe.

# East German Crosses Border

**HANNOVER**, West Germany — A 47-year-old East German man crossed unhindered Tuesday over the border from East to West Germany, border police in Hannover said.

# Soviet to Show 'Outrageous' U.S. TV Series

**VIENNA** — The Soviet Union said Tuesday that it will show the television series "Anastasia" on state television and its viewers will react with "wrath and indignation" to the U.S. program about a fictional Soviet takeover of the United States.

Announcement of the planned broadcast was made by Yuri B. Kashlev, chief Soviet delegate to the Conference on Security and Cooperation in Europe.

Mr. Kashlev said: "In Moscow, we have decided to buy this outrageous TV series and show it to our TV viewers."

"We are not afraid of American falsifications. We are only afraid that such a film will give rise to wrath and indignation."

The series is scheduled to begin Feb. 15 in the United States on the ABC television network. ABC describes it as a portrait of life in the United States 10 years after a Soviet takeover.

A brief joint communiqué said the decision was reached following consultations at the United Nations in which the two countries confirmed their commitment "to the principles of equality, noninterference in each other's internal affairs, mutual respect and mutual benefit."

It is the first time the two countries have had diplomatic relations. Secretary of State George P. Shultz and Gendengim Nyamdoo, the Mongolian representative at the United Nations, were to formalize the new relationship at a ceremony later Tuesday.

In Moscow, Tass said earlier that the United States and Mongolia had agreed to establish relations. The press agency quoted a joint U.S.-Mongolian statement published in the Mongolian press.

In Washington earlier this month, the State Department said that discussions on normalization had taken place between Vernon A. Walters, the U.S. representative to the United Nations, and Mr. Nyamdoo. (AP, Reuters)

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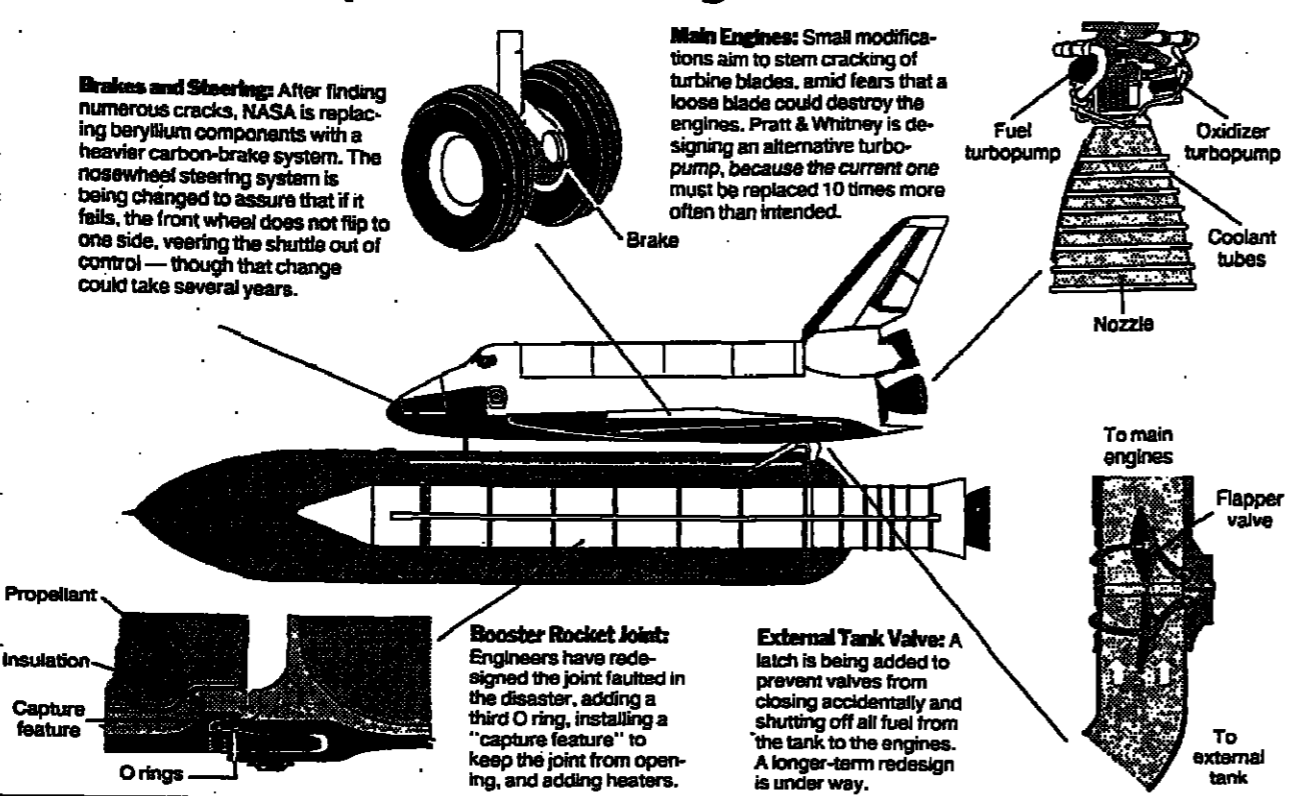
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**Critical Shuttle Components Under Redesign**



**SHUTTLE: One Year After Challenger, 'Everything Up for Grabs'**

(Continued from Page 1)

calls and some bangles, shuttles completed 24 missions before the Challenger accident.

When the next shuttle flies, its mission will be different from the old.

For years, officials promised that the shuttle eventually would be able to pay for itself by carrying commercial cargo into space. Now, under an administration policy issued in August, future paying customers will not be welcome on the shuttle but must look for launching abroad or wait for industry to develop private launching services in the United States.

The shuttle fleet has always cost far more to operate than estimated, but the shuttles that fly future missions will "carry less at higher cost," according to an analysis by the Congressional Budget Office.

NASA has revised the projected flight rate from 24 per year, which was deemed necessary for the shuttle to be cost-effective, to an eventual maximum of 16, using a fleet of four orbiters. Outside experts

have said that 11 or 12 a year would be more realistic. The question of flight rate is vital, experts say, in determining how much each shuttle flight will cost and how useful it is.

The presidential commission that investigated the Challenger accident found that the space agency's safety program had withered, as managers became preoccupied with improved performance and an accelerating launching schedule. Officials now promise that the redesigned shuttle will be safer.

In addition to a complex redesigning of the solid rocket booster, which was blamed for the accident, the shuttle will have a new but limited astronaut escape system, as well as improved main engines, brakes, steering and landing controls. Officials say that only changes crucial to safety will be required in time for the resumption of shuttle flights.

But critics in and out of NASA say the agency is still struggling to define "how safe is safe enough."

New safety guidelines and the weight added to the shuttle by various design changes have reduced the shuttle payload capacity by about 2,900 pounds, from about 61,000 pounds for certain orbits at the time of the accident, according to Chet Lea, NASA director of space flight customer services.

If the reduction in performance continues, the shuttle will not be able to carry certain heavy classified military satellites designed especially as shuttle cargo, according

to the secretary of the air force, Edward C. Aldridge Jr.

Officials express the hope that satellites now aloft do not stop functioning until their replacements have a means of being launched.

"Our satellites tend to last much longer than their contract life," said John Pike of the Federation of American Scientists. "We'd be in much worse shape now if that were not the case."

The accident has sent ripples through other parts of the space program. The design of the next big U.S. space project, the space station, has been scaled back.

The \$1 billion Shuttle-Centaur, a rocket designed to deliver military payloads and to boost planetary missions into the solar system from an orbiting shuttle, has been canceled as being too dangerous under the new standards.

And NASA itself, its credibility devastated, struggles to recover internally and move on. A rubbery O-ring seal in a joint of the Challenger's right solid rocket booster allowed the leak of hot gases that triggered the shuttle's destruction, the presidential investigating commission concluded in June.

At Marshall Space Flight Center in Huntsville, Alabama, which took most of the blame for the accident, engineers are absorbed with the complex redesigning of the fatal joint. Even some former critics express confidence that they will do it right this time.

At Kennedy Space Center in Florida, where the shuttles were launched, the three remaining orbiters wait in hangars to be revamped, and about 2,500 employees have been laid off.

NASA management has been restructured in ways officials say will tighten lines of accountability, improve communications and safety. Most of the top managers who played a role in the Challenger launching decision have retired or transferred and have been replaced.

By all accounts, morale throughout the space program reached a low during the spring and summer of 1986. "People really felt we had lost our way," said a former astronaut, Joseph Kerwin, now NASA's director of space and life sciences in Houston.

The appointment of new center directors and certain other top managers, along with stepped-up activity in preparation for the next launching, helped morale "turn the corner" by late last year, according to most of the dozens of space workers and officials interviewed across the country. So did the promotion of numerous astronauts into management positions.

James C. Fletcher, who headed NASA during the shuttle's formative years, from 1971 to 1977, was brought back to the post to confront the results of what he readily acknowledges were "terrible mistakes" made in his first administration.

**DEATH NOTICE**

**SCOTT McGUIRE**  
 passed away at 3:45 on January 22, 1987. Mass will be said for him at 12 noon on January 28 at the American Cathedral, 23 Avenue George V, Paris 8<sup>e</sup>.

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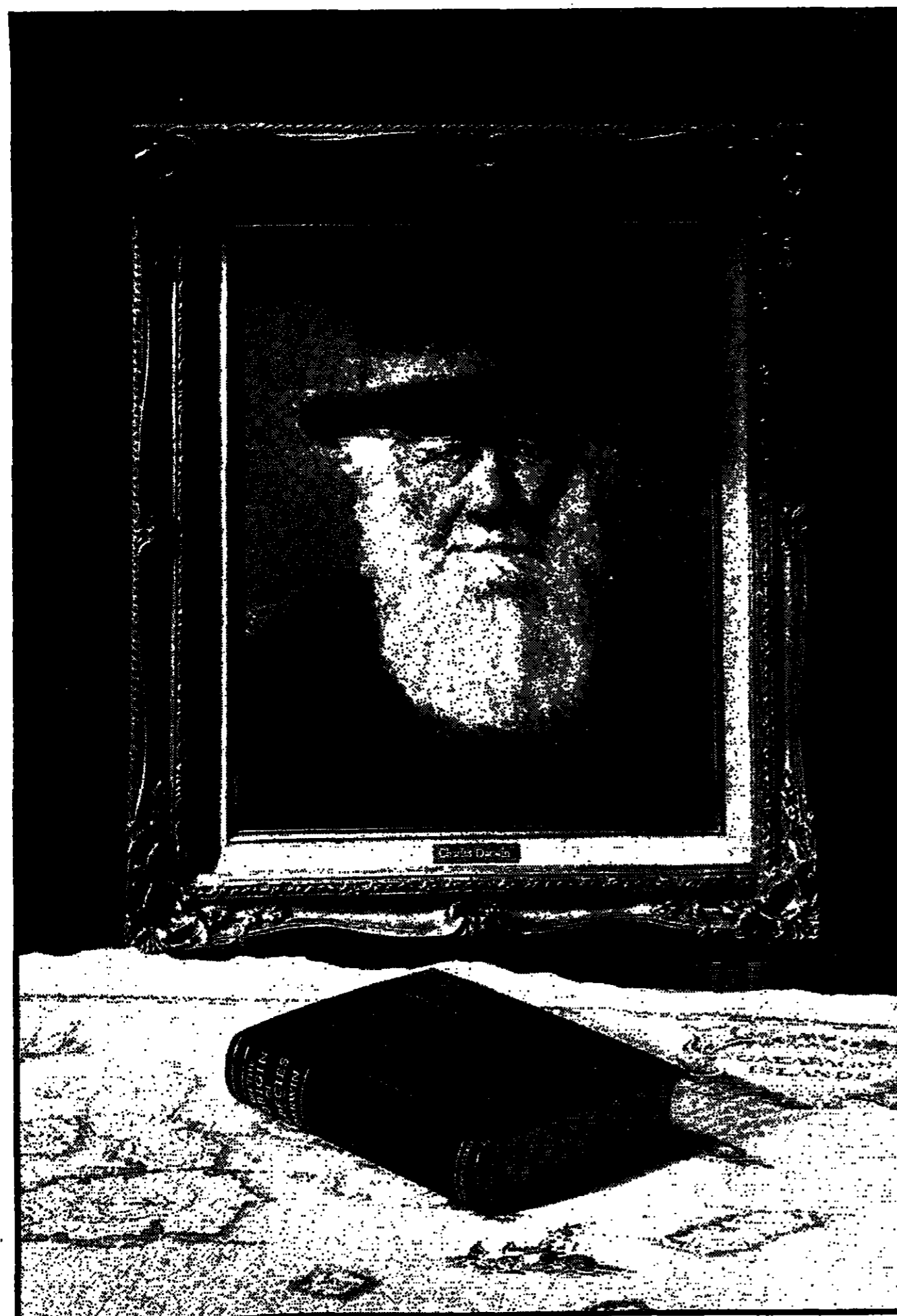
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ARTS / LEISURE

Couture, Having A Ball

By Hebe Dorsey
International Herald Tribune
PARIS — Madness reigns. In the second day of the spring-summer couture showings, puffs and powder puffs alternated with ballgowns and baby dolls and every woman worth her fashion salt will have to have a bustle or at least a "tux-cad," as it was called in the 1880s.

The big, puffed sleeves which ran through the whole collection, grew even bigger in evening dresses where they were deftly puckered as were the full, bouffant skirts.



Chanel's sharply-angled petticoats, left; right, Ungaro's evening puffed.

PARIS FASHION

way on this new wild tangent. The bottom line is an irrepressible desire for fun, especially in the evening. When Ungaro introduced circus colors a few seasons ago, they were judged harsh and garish. Yesterday, they were right on target as the whole collection, one of the most accomplished this designer has produced.

At Chanel, the program now talks of "neo-Chanel" suits which, as Lagerfeld put it before the show, "are no longer classic." Everything has been changed and turned around, he added, pointing out that the proportions were different, with rounded jackets closing asymmetrically. The famous Chanel cuffs were switched around so that the buttons are now underneath.

Christian Dior revolutionized fashion and put Paris back on the map. So naturally, the first suit on the runway was this famous antique, complete with a bouquet of lilies of the valley, the favorite flowers of the late designer.

Maybe influenced by all this, Marc Bohan showed a lot of pretty suits, with nipped-in jackets over short, pleated skirts. Yesterday, a picture was misidentified. The white lace dress was by Cardin, not Scherrer.

A Too-Relaxed 'Holiday'

By Robert Cushman

LONDON — As a devotee of L'American comedy I would like to believe that Philip Barry's 1928 piece, "Holiday" is a funnier play than it seems to be in its revival at the Old Vic.

It is the kind of piece in which a rich father calls his daughter "Daughter" as a guarantee of style: his own style, that is, and by extension the play's as well. Daddy in this case is a very rich New Yorker whose beautiful girl gets herself engaged to a young man of obscure origin but excellent business prospects. But though he can make money, he cares about other things, which renders him extremely suspect to the family he is about to marry into. The only one who understands him is his prospective sister-in-law, an ugly duckling who has been chafing against the family bonds for years.

It takes Barry three leisurely acts to bring this obviously-matched couple together, and at that he postpones the climax until after the final curtain. That relaxation could have all the qualities that plays aspires to. Relaxation, though, is one thing, inertia another, and Lindsay Anderson's production is appallingly stolid. It is also, except perhaps for box-office purposes, bizarrely cast. Having a real married couple playing your hero and heroine is traditionally intriguing, but Malcolm McDowell and Mary Steenburgen strike no sparks from the text or from each other.

Nobody unbalances "Three Men on a Horse" at the National Theatre, not even Gemma Craven as a Broadway showgirl turned gambler's moll. Actually her cartoon performance is heroically restrained compared with some of her recent work at the National, and it comes off in a high-kicking bit that enables her to burlesque her own distinguished career in musicals. The trio of small-time hoods with whom she is involved may make you realize all over again how good is the book of "Guys and Dolls." In comparison the dialogue of this 1935 work by John Cecil Holm (the late) and George Abbott (100 this year) is not especially flavorful. But Abbott has always known how to take care of business, and by the end the Runyonesque proceedings are handing out very big laughs indeed.

in a piping twang, standing with legs akimbo in a strange black shiny dress and swaying. The title derives from the hero's wish to take a couple of years off from the rat race and enjoy himself, a mild enough ambition but Manhattan's big money people are riously, Geoffrey Hutchings, indeed, is positively devout in his account of a greetings-card versifier, squeaky-voiced and squeaky-clean, who has an infallible gift for picking the winning nag in any race. He never bets himself; that would spoil things, and besides he can't afford it. (This is a play that knows there's a depression on.) But he encounters three professional gamblers, and endows them for a time with undreamed-of success. Their leader is played by Ken Stott with a marvelously detailed blend of delicacy and brutality. He is the National's best recent find.

Apart from its incidental music, which is cool '50s jazz, the production is right in period but never trades on it. It even eschews the besetting cliché of vintage comedy revivals, the all-dancing curtain-call. (There is a particularly gruesome example in "Holiday"). The play itself dances, right through to an ending that balances perfectly between wish-fulfillment and rude disillusion.

LANVIN PARIS Haute Couture Maryll Lanvin 22, rue du Faubourg Saint-Honoré, Paris

DOONESBURY comic strip panels showing characters in a office setting.

Financial market data including NYSE Most Actives, Market Sales, NYSE Index, AMEX Diary, NASDAQ Index, AMEX Most Actives, Dow Jones Bond Averages, NYSE Diary, Odd-Lot Trading in N.Y., Dow Jones Averages, Standard & Poor's Index, NASDAQ Diary, and AMEX Stock Index.

Dow Surges to Record High. A large table containing stock market data for various companies, including their 12-month high/low, volume, and price changes.

سكربت الأمل







**BUSINESS ROUNDUP**

**Jacobs Suchard Abandons Hero Bid**

**ZURICH** — A three-week takeover battle involving two leading Swiss food companies ended Tuesday when Jacobs Suchard SA said it was abandoning its attempt to buy the preserved-food manufacturer Hero Conserven Lenzburg.

Jacobs Suchard, maker of Jacobs coffee and Suchard and Tobler chocolate, said it had agreed to sell back to Hero management a 30 percent stake in the company it bought from a Zurich bank on Jan. 5. It did not disclose the price.

At the same time, Hero announced a modification of its statutes aimed at strengthening what it called its "shark repellent" against unfriendly takeovers.

"The Hero board feels it has a duty to protect the interest of minority shareholders and workers and to prevent large shareholders stripping away its assets," the chairman, Alfred Sarasin, said at a joint news conference with Jacobs.

Hero shares fell sharply on the news, with the most-traded bearer shares hitting a low of 3,500 Swiss francs (\$2,280) from Monday's closing of 4,500 francs. Jacobs shares were little changed.

Jacobs Suchard, which also recently took over the U.S. confectioner E.J. Brach, said Jan. 15 that it had taken a sizable minority holding in Hero and aimed to continue buying shares in the open market.

Hero called the move "unfriendly" and said it would use special rights in its charter to refuse to allow Jacobs to vote the registered shares that it acquired.

Jacobs Suchard, apparently surprised by the extent of Hero resistance, said Tuesday that it would make good business sense for the companies to work together.

However, given the hostility of the Hero board, it had decided to

abandon its takeover plans. It retained a limited right of first refusal, should Hero management want to sell its entire stake or a large part of it and said both had agreed to look at possible cooperation.

Hero, whose 1985 revenue of 425 million Swiss francs was dwarfed by Jacobs Suchard's 5.4 billion francs, said it would propose to a special shareholders meeting a plan to strengthen the company against takeover bids.

In particular, the company wanted to convert all of its bearer shares outstanding, around two thirds of total share capital, into registered shares and planned a simultaneous issue of 100,000 nonvoting participation certificates.

Hero introduced in 1985 a number of restrictions on ownership of registered shares, reserving the right to refuse entry into the share register. Those who are not registered cannot vote.

**Iberia Air to Report Profit For '86, First in a Decade**

**MADRID** — Spain's government-owned Iberia Air Lines will announce a small profit for 1986, the carrier's first in 10 years, the company chairman, Narcis Andreu, says.

"We expect to be slightly over the break-even point after the previous year's 9.13 billion pesetas [about \$70 million] loss," he said.

He said improved operations led to a cash flow of 19 billion pesetas from 1981 to 1985.

"Some external factors like the drop in aviation fuel prices helped put us in the black," Mr. Andreu continued. "We also achieved better results with a more rational adjustment of supply and demand."

He noted, for example, that Iberia reduced flights to the United States when U.S. tourism dropped last summer and added flights to Latin America. "Thanks to this cutback and the use of smaller aircraft we operated at 88 percent capacity on U.S. routes last August. The route to Tokyo we inaugurated last year was also an important source of income."

He said that income from sales rose 1.4 percent to 280 billion pesetas last year from 1985 and that Iberia expected to report an improved profit this year, depending largely on such external factors as renewed terrorism, the value of the dollar and the cost of fuel.

**BUSINESS PEOPLE**

**Clark Presses Baker-Hughes Merger**

By Arthur Higbee  
*International Herald Tribune*

Earnest Hubert Clark Jr., who is scheduled to become chairman of a merged Baker International Corp. and Hughes Tool Co., says he hopes to show the U.S. Justice Department there is no reason to block the proposed merger.

Mr. Clark, now Baker's chairman and chief executive, "has come to be regarded as something of a spokesman for the industry," Elizabeth Peck, an analyst with Wertheim & Co., told The New York Times.

The Baker-Hughes merger, announced in October, would create one of the world's largest oil services companies, on the scale of Schlumberger or Halliburton, and would help Baker survive in the embattled sector. But the Justice Department has sued to block the merger on antitrust grounds.

Mr. Clark said Monday in a telephone interview with the Times from Baker's headquarters in Orange, California. "We're still negotiating with Justice to try to find a common ground that makes them happy and us happy."

Mr. Clark, 60, transformed Baker from a modest company into a leading industrial enterprise during his 40-year tenure. But his credibility suffered in the early 1980s, analysts said, when he heaved to the view that oil prices would not go down.

Mr. Clark grew up near Los Angeles and graduated from the California Institute of Technology in 1947, joining Baker Tools Inc., now Baker International, the same year. He was named president in 1962 and chairman and chief executive in 1969.

International Aero Engines AG, a consortium registered in Zurich with ownership shared by U.S., British, Japanese, West German and Italian firms, has promoted Nicholas R. Tomassetti, 51, from vice president for marketing to president and chief executive officer. He succeeds Robert E. Rosati, 61, who has headed the company at its East Hartford, Connecticut, operating center since it was formed in 1983 and who is now retiring. Both were seconded to IAE from the Pratt & Whitney unit of United Technologies Corp., which, like

**Ogilvy & Mather Gets Jody Powell**

*United Press International*

**WASHINGTON** — Jody Powell, who served as President Jimmy Carter's press secretary for four years and is now a syndicated columnist, has been named chairman and chief executive officer of Ogilvy & Mather Public Affairs.

Thomas C. Grisco, executive director of the National Republican Senatorial Committee and press secretary to Senator Howard Baker, Republican of Tennessee, when he was Senate majority leader, was named president and chief operating officer.

Mr. Powell, 43, is a Democrat; Mr. Grisco, 37, a Republican.

The firm, which specializes in public issues and research, is part of the Ogilvy & Mather Public Relations Group.

John R. Meinert, 59, senior vice chairman, will become chairman. The posts of chairman and chief executive had been vacant since last October, when Richard P. Hamilton, 55, resigned unexpectedly.

Henkel France, the French unit of the Dusseldorf chemicals group, has promoted Wilhelm Börtlein, 59, who has been manager for chemical products, and Thierry Vial-Collet, 40, marketing manager, to be vice presidents-general managers under the president and chief executive officer, Guy van Weddingen, 59. Henkel France has grown from 586 million francs (\$96 million at current exchange rates) in 1975 to 2.9 billion francs last year.

Tucker, Anthony & R.L. Day Inc., New York brokerage subsidiary of the John Hancock Life Insurance Co. of Boston, has opened a London office with Iain C. Stewart-Hunter and T. Anthony Lewis as co-managers. They were recruited from Moseley Securities Corp., as were four colleagues: Stanley J. Phipps, Christopher J. Towell, Michael T. Hall and Barbara MacLean. Executives from Tucker in New York and Moseley in London met at the international stock exchange ski week in Italy last year and, as Tucker put it, the move snowballed from there.

**Norfolk Plans Piedmont Talks**

**NEW YORK** — Norfolk Southern Corp. has stated in a filing with the Securities and Exchange Commission that it intends to study the acquisition of Piedmont Aviation Inc., Piedmont said Tuesday.

Norfolk Southern holds 19.44 percent of Piedmont's stock, which rose \$8.50 to close at \$38 on the New York Stock Exchange on Tuesday.

Piedmont said no proposal had been made yet by Norfolk Southern.

**Cadbury Will Study Stock Purchase by General Cinema**

*Compiled by Our Staff From Dispatches*

**LONDON** — Cadbury Schweppes PLC will scrutinize the implications of General Cinema Corp.'s purchase of shares in the company, particularly in the context of the international soft drinks industry, its chief executive, Dominic Cadbury, said Tuesday.

Cadbury shares had dipped 2 pence to £2.26 by midsession Tuesday in trading on the London Stock Exchange.

General Cinema, a leading U.S. chain owner and the largest independent soft-drink bottler in the United States, announced Monday that it had acquired 46.5 million shares, or 8.3 percent, of Cadbury Schweppes.

General Cinema, based in New

York, said it had acquired the stake in the London-based beverage and confections concern for about \$136.5 million in open-market purchases on the London Stock Exchange, starting about five months ago. The company said it had bought the shares for investment purposes only.

It added that it was filing for U.S. regulatory permission to buy 15 to 25 percent of Cadbury stock. But it said it had no intention of making an offer for all of Cadbury's stock for at least one year, barring any "change in circumstances affecting our investment."

Cadbury Schweppes has been rumored intermittently in recent months to be the possible target of a takeover bid, analysts said.

They speculated that General Cinema bought the shares in a "warehouse" operation with the eventual goal of selling them to a third party that would make an overall offer.

"It would be unlikely that they would make a bid," said Emanuel Goldman, a leading beverage analyst at Montgomery Securities Inc. in New York. "But they are likely to make sure the business is being run properly."

In 1979, General Cinema became a friendly investor in Columbia Pictures Industries and made a substantial profit when the company was sold to the Coca-Cola Co.

In 1984, General Cinema gained a 49 percent stake in Carter Hawley Hale Stores Inc. by siding the re-

tailer's fight to repel a takeover bid from The Limited Inc., and it has played a strong role in that company's management.

General Cinema's management may believe that Cadbury's control of half of the market for mixers, which are beverages used in mixed drinks, ultimately will be attractive to another buyer.

Last year, Cadbury acquired Canada Dry and Sunlight from R.J.R. Nabisco Inc. for \$230 million, and it has bought a 30-percent stake in Dr Pepper Co. (Reuters, NYT)

**Fermenta Sale Of Unit Collapses**

**STOCKHOLM** — A preliminary agreement between Monsanto Co. and Fermenta AB, the troubled Swedish biotechnology group, over the sale of Fermenta's U.S. agrochemical business has collapsed, Fermenta announced Tuesday. No reasons were given.

Fermenta's earnings forecast for 1986 included a profit of 270 million kronor (\$41.5 million) from the sale. The agreement was to have been completed this month.

Fermenta originally forecast earnings of 700 million kronor in 1986, but was forced to revise this to 40 million after auditors reported serious accounting irregularities. The police are investigating.

Enhart to Leave South Africa

*The Associated Press*

**FARMINGTON, Connecticut** — Enhart Corp., a hardware and chemical products company, said Tuesday it would sell its three operations in South Africa.

**COMPANY NOTES**

Cockerill-Sambre SA reopened its steel plant in Liege, Belgium, after a weeklong strike over charges that management was pressuring some workers to accept a voluntary layoff program. Cockerill-Sambre wants to lay off 2,000 of 15,000 employees as part of a restructuring.

Comdata Network Inc. has entered a program with MCI Communications Inc. to provide long-distance phone cards to the U.S. trucking industry. Users can make calls anywhere in the United States at rates 19 to 28 percent lower than American Telephone & Telegraph's calling-card rates, said Comdata.

Consolidated Gold Fields PLC said in London that Gold Fields of South Africa Ltd. and Driefontein Consolidated Ltd. jointly hold 16.09 million ordinary shares in the company.

Control Data Corp.'s unit, ETA Systems Inc., won a contract to add a second Cyber 205 supercomputer at Princeton University, one of

five U.S. supercomputing centers set up by the National Science Foundation. The price was not disclosed.

De Laurentiis Entertainment Ltd., an Australian company recently formed by Dino De Laurentiis, the film producer, will be floated through a local issue of shares at 50 cents (33 U.S. cents) each.

Kumagai Gumi Co.'s joint venture company in China is raising a \$110 million loan to finance the construction of a hotel and office complex in Beijing. Banking sources said that the 12-year loan, with a 3-year grace period, carries interest at half a percentage point over the London interbank offered rate for the first three years, rising to 7/8 and then 1/2 of a point.

Hoechst AG, the West German chemicals giant, said its American Hoechst Corp. unit had extended until Feb. 9 its \$2.85 billion tender offer for the stock of Celanese Corp. American

Hoechst said holders had tendered 79.8 percent of Celanese's common stock outstanding, 74.5 percent of its convertible preferred and 92.4 percent of its 7 percent preferred.

Koninklijke Nijverdal-Tea Cate NV, the Dutch textile and synthetics company, said its U.S. subsidiary, Royal Ten Cate USA Inc. had acquired an 80 percent stake in Bradley Materials Co. of Valparaiso, Florida.

Nixdorf Computer AG of West Germany said that profit increased in 1986 more than 15 percent. No profit figures were made public but the company said world group sales rose to 4.51 billion Deutsche marks (\$2.49 billion) in 1986 from 3.93 billion in 1985.

TI Group PLC has agreed to buy the specialized, European-based tubing business of Armo Inc. of the United States for about \$27 million (\$41 million) in cash.

Rolls-Royce PLC, owns 30 percent of IAE.

RJR Nabisco Inc., the Winston-Salem, North Carolina, food and tobacco company, has named five executives of Nabisco, its food arm, as corporate officers in a management restructuring under the recently appointed chief executive officer, F. Ross Johnson. The five are Walter Dunnington, 59, named senior vice president; Walter Coleman, 40, vice president and general auditor; Andrew Hines, 47, vice president and controller; J. Thomas Pearson, 45, vice president for tax matters, and Ward Miller, 53, vice president and associate general counsel.

Hartmarx Corp., Chicago-based apparel manufacturer and retailer, has appointed Harvey A. Weinberg, 49, a vice chairman, as chief executive officer. The company, which recently underwent a restructuring, also announced that

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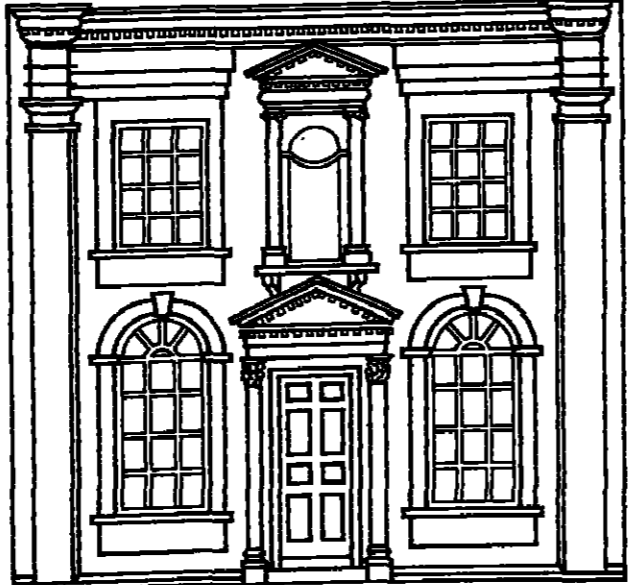
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Floating-Rate Notes

Table of floating-rate notes with columns for Issuer/Mat., Coupon, Bid, and Ask prices for various currencies like Dollars, Swiss Francs, and Deutsche Marks.

U.S. Futures

Table of U.S. futures contracts including Wheat, Corn, Soybeans, and other commodities, listing prices and changes.

Grains

Table of grain futures contracts such as Wheat, Corn, and Soybeans, showing market data.

Food

Table of food futures contracts including Coffee, Cocoa, and Orange Juice, with price details.

Metals

Table of metal futures contracts such as Copper, Aluminum, and Zinc, listing current prices.

Boeing's New Airliner Will Be a 150-Seater. SEATTLE — Boeing Co. said Tuesday that it was concentrating on a twin-aisle design for its proposed 777 airliner...

Lear Siegler Buyout Gains. SANTA MONICA, California — The \$2.18 billion leveraged buyout of Lear Siegler Inc. is nearing completion...

Deutsche Marks. Table listing exchange rates for various currencies against the Deutsche Mark.

Japanese Yen. Table listing exchange rates for various currencies against the Japanese Yen.

Currency Options. Table listing prices for various currency options contracts.

TD THE TORONTO-DOMINION BANK. DM 100,000,000. 5 1/2% Bearer Bonds of 1987/1994. Schweizerischer Bankverein (Deutschland) AG. Banca del Gottardo. Bayerische Landesbank Girozentrale. DSL Bank. Deutsche Siedlungs- und Landesrentenbank. Toronto Dominion International Limited.

Stock Indexes. Table showing various stock indices including S&P 500, NYSE, and others.

Commodity Indexes. Table showing commodity price indices for various goods.

DM Futures Options. Table listing prices for Deutsche Mark futures options.

KHD Finance B.V. Rotterdam, The Netherlands. U.S. \$ 75,000,000. 8% Bonds of 1987, due 1994. Klöckner-Humboldt-Deutz Aktiengesellschaft. Cologne, Federal Republic of Germany. Deutsche Bank Capital Markets Limited. Bayerische Vereinsbank. Berliner Handels- und Frankfurter Bank. Credit Suisse First Boston Limited. Morgan Stanley International. Westdeutsche Landesbank Girozentrale. Deutsche Girozentrale - Deutsche Kommunalbank. Norddeutsche Landesbank Girozentrale. M.M. Warburg-Brinckmann, Wirtz & Co. Sal. Oppenheim jr. & Cie. Trinkauss & Burkhardt KGaA. Westfalenbank Aktiengesellschaft.

Paris Commodities. Table listing prices for various commodities in Paris.

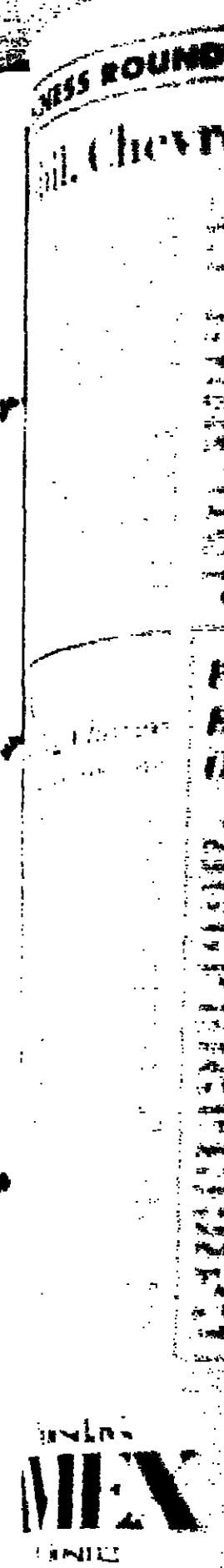
London Commodities. Table listing prices for various commodities in London.

Dividends. Table listing dividend payments for various companies.

Asian Commodities. Table listing prices for various commodities in Asia.

London Metals. Table listing prices for various metals in London.

DM Futures Options. Table listing prices for Deutsche Mark futures options.



BUSINESS ROUNDUP

Mobil, Chevron and Shell Net Down in Quarter

NEW YORK — Mobil Corp., the second-largest U.S. oil company, reported Tuesday earnings of \$201 million for the fourth quarter of 1986, a decline of 53 percent from a year earlier...

Shell Oil Co., the seventh-largest U.S. oil company, said its fourth-quarter earnings were \$254 million, a decline of 61 percent from the final 1985 quarter.

Chevron's loss of \$86 million for the fourth quarter contrasted with a profit of \$601 million, or \$1.75 a share, in the year-earlier quarter.

Shell said its fourth-quarter earnings fell from \$652 million in the year-earlier quarter. Shell does not report per share earnings because it is now a wholly owned subsidiary of Royal Dutch-Shell.

USX: Takes Big Charge

struggling with the industry's excess capacity and with foreign competition. The division posted an operating loss of \$1.37 billion for 1986 on sales of \$3.7 billion, compared with a \$14 million loss on sales of \$3.9 billion in 1985.

Phillips May Ask Exclusion From Oslo Oil Cuts

STAVANGER, Norway — Phillips Petroleum Co. Norway has asked the Norwegian government to exclude the Ekofisk oil field from moves to cut oil output on all Norwegian fields...

INSURANCE: Directors Lured

percent more than a 999 percent increase. The result, the report said, was that such companies as Control Data Corp., Delta U.S. and Armada Steel Corp. had to give up their coverage — and lost outside directors who would not serve on uninsured boards.

Good 2d Half Forecast By Racial Electronics

LONDON — Racial Electronics PLC said Tuesday that it expected good pretax profit in the second half of fiscal 1986 and satisfactory profit for the full year.

QUOTAS: Japan to Keep Curbs on Auto Exports to U.S.

(Continued from first finance page) Official comments on the ministry's decision from auto executives Tuesday reflected that attitude.

While the decision is an unfortunate one, I feel that it was unavoidable, Mr. Toyoda said. Such comments are much milder than they have been in previous years.

Profits at Mazda, for example, dropped more than 70 percent from last year, and Nissan reported its first loss since World War II in the first half of this fiscal year.

Table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes AMEX Closing section.

Table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Asia Pacific Growth Fund. Weekly net asset value on 22-1-1987 US \$30.47. Listed on the Amsterdam Stock Exchange.

The Carlyle Hotel. Madison Avenue at 76th Street, New York, NY 10021. Cable: The Carlyle New York. International Telex: 620692. Telephone: 212-744-1600. Toll Free: 1-800-CARLYLES.

ECONOMIC COMMUNITY OF WEST AFRICA (CEAO) PROJECT - HIGHER INSTITUTE FOR FISHERY TECHNIQUES AND SCIENCES (ISSTH). NOTICE OF INTERNATIONAL OFFER TO TENDER. 1. OBJECT: The Economic Community of South Africa (CEAO) is issuing an international invitation to tender for the supply of teaching equipment to ISSTH located at Nouadhibou (Islamic Republic of Mauritania)...

Central National-Gottesman Inc. New York advised. The Wiggins Teape Group Ltd. U.K. in their invitation in Sociedade Portuguesa De Celulose, SARL (SOPORCEL) Portugal and Celulosas De Asturias S.A. (CEASA) Spain.

Large table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Large table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Large table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

Large table with 4 columns: High, Low, Stock, Div. Yld. PE. Includes various stock listings.

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Table of International Funds with columns for fund name, currency, and price. Includes sections for ALMAL MANAGEMENT, CASH FUND, and OTHER FUNDS.

Tuesday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table of AMEX Closing prices for various stocks and commodities, including symbols like NYMEX, COMEX, and various stock tickers.

Table of South Africa Reports. Includes a section titled 'Record Trade Surplus' and 'South Africa Reports' with text and data regarding trade and economic indicators.

Be sure that your fund is listed in this space daily. Telex Matthew GREENE at 613595F for further information.



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CURRENCY MARKETS

Dollar Hits 6-Year Low Against Mark

NEW YORK — The dollar plunged Tuesday to a six-year low against the Deutsche mark, closing below 1.80.

It closed at 1.7975 DM in New York, down from 1.8240 at Monday's close. That was the lowest since September 1980.

The dollar was also close to its post-World War II low of 150.45 yen, closing at 151.10, down from 152.80 Monday.

It also closed at 6.0110 French francs, down from 6.0865, and at 1.5085 Swiss francs, down from 1.5330.

The British pound was also higher against the dollar, closing at \$1.5375, up from \$1.5235.

David Palmer, senior vice president at First American Bank of New York, said that if it was accepted that the U.S. Treasury secretary, James A. Baker 3d was "calling the shots" and not the chairman of the Federal Reserve, Paul A. Volcker, "then there's nothing to keep the dollar from going lower until Baker says 'enough is enough.'"

He was referring to remarks attributed to top officials that the administration will not oppose a lower dollar until the U.S. trade deficit begins to narrow.

London Dollar Rates

Table with columns: Currency, Bid, Ask, and Source/Revised.

Although the administration has disassociated itself from the comments, Mr. Baker has not directly contradicted them.

But Franz Scholl, head of the foreign department of the Bundesbank, West Germany's central bank, said in London that unless the United States curbs its budget and trade deficits it must face the wrath of financial markets, leading to a collapse of the dollar, a crumbling of securities markets and an increase in inflation.

James McGroarty, vice president at Discount Corp. of New York, said: "We're at a critical stage in currency markets. If the administration plays this type of game, giving the impression of not being concerned, the market will get very negative ahead of the refunding next week."

The Treasury is to announce details of its first-quarter refunding auction next week, and the govern-

ment needs foreign bond buyers to help finance the budget deficit. In Europe, the dollar was mostly lower.

Operations by West Germany's central bank, the Bundesbank, in both foreign-exchange and domestic money markets propped up the dollar in the morning.

But weakness developed later when the central bank lowered its profile after the opening of U.S. trading.

The dollar closed in London at 1.8078 DM, down from 1.8230 Monday, and sank further in afternoon trading toward the 1.8100 DM trading low it reached on Jan. 19.

The dollar also closed in London at 151.55 yen, down from 152.60 Monday, at 1.5168 Swiss francs, down from 1.5315, and at 6.0330 French francs, down from 6.0825. It was lower against the pound, which closed at \$1.5340, against \$1.5275 Monday.

In earlier trading in Europe, the dollar was fixed at 1.8195 DM in Frankfurt, up from 1.8176 Monday, and at 6.0735 French francs in Paris, down from 6.0970.

Overnight in Tokyo, it closed at 152.65 yen, down from 152.80.

Spokesmen for the bank declined to elaborate, but market sources said the move was aimed at discouraging the practice of cornering the market in one stock.

The sources said a new primary dealer, Cater Allen Ltd., had been able to exploit an unusual shortage caused by large-scale conversions of the bank's issue into other longer maturities. Cater Allen officials declined comment.

Traders said that at the time the Bank of England announced the taplet, the 104 percent issue was trading about three points higher than comparable bonds.

Traders said the central bank saw the practice as too similar to those prevalent in the nonregulated Eurobond market.

"In the old days, the bank would have just suggested to the firm that it just lighten its position and the firm would have done it," one trader said.

U.K. Bank Sets Limits in Bond Market

LONDON — Financial reforms opened up competition in the British government bond market only three months ago, but the Bank of England has already signaled that it will limit the extent that free-market forces will be allowed to operate, according to analysts.

"It wants to let the markets know that the kind of American-style trading done in New York will not be allowed here," a gilt salesman at a new primary dealer said. Gilt is British government securities.

A hint of the bank's more public role came just before the financial reforms of Oct. 27, known as the Big Bang. Those reforms raised the number of market-makers in the gilt market to 27 from three.

Just before the new trading rules were launched, the central bank issued 15 "taplets," or small tranches of previously-issued bonds, to aid trading in the issues.

But the most telling signal came last month when the bank took the unusual step of issuing a \$100 million (\$152.75 million) taplet of an outstanding stock issue, the 104 percent due 1989 that had become scarce, and issued a statement to the effect that it made the offering to increase liquidity.

Spokesmen for the bank declined to elaborate, but market sources said the move was aimed at discouraging the practice of cornering the market in one stock.

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PICKENS: Mesa's Transfer Frees Oilman to Chase Non-Energy Companies

(Continued from first finance page) who were under contract to Mesa Petroleum.

After Mesa Petroleum is officially liquidated next month, however, the advisers will move into roles as takeover consultants for the partnership, where they will still be restricted to energy-related deals. But they also will be available to handle assignments for a new, unrelated business set up by Mr. Pickens named Boonoco.

"It's conceivable Boonoco never does anything," Mr. Pickens said, if the Mesa partnership "stays busy with deals."

But David Batchelder, a takeover strategist at Mesa who is one of the three Pickens advisers, said that the unit was created by Mr. Pickens so he could independently pursue and finance takeovers in other industries.

"As long as there are undervalued assets and weak managements, we'll have an opportunity to make money," Mr. Batchelder said. Mr. Batchelder, 37, and the two other minority partners in the new business, Andrew P. Craig, 36, and Sidney Tassin, 30, essentially serve as Mr. Pickens' investment bankers. They split \$4 million in fees from Mesa's \$750 million friendly takeover of Pioneer last year.

In Boonoco, the fees could be much higher, Mr. Batchelder said, but still lower than most charged by Wall Street firms.

Two of Mr. Pickens' former as-

sociates who asked not to be named said that the oilman probably sees Boonoco as a way to add to his personal wealth more rapidly than he is likely to through Mesa.

Prominent deal makers such as Michael Milken, the "junk bond" expert at Drexel Burnham Lambert Inc., and Carl C. Icahn, the New

percent of the value of any takeover as a fee for any acquisition he makes for Mesa.

A new \$300 million offer for part of Stanrock could yield Mr. Pickens \$70 million before taxes if his investor group eventually wins all of the company. Analysts said that he could take even bigger per-

cent of the size of takeovers, he said, most of their personal net worth is invested in Mesa.

Mr. Pickens said that worries about conflicts of interest were misplaced. "I'll do a 40-hour week for Mesa even if I'm busy with Boonoco," he said. "I have the flexibility to do a lot of things."

He estimated his personal net worth at \$107 million, "a lot less than people think." He has debts of \$55 million, much of which was spent to increase his stake in Mesa over the years, he said. His stake, now approximately 5 percent of Mesa's equity, is worth about \$80 million.

In 1985, the last year for which figures are available, Mr. Pickens earned a salary of \$1.2 million plus a bonus of \$3 million and a deferred bonus related to the Phillips and Unocal transactions of another \$4.2 million.

"I damn sure haven't been greedy in these deals," he said. "All of the bonuses before went right back into the business."

Mr. Pickens suggested that this was a bargain for Mesa investors. He said that Mesa had had one of the highest average rates of total return on capital of any energy company over the last 10 years: an annual rate of 25 percent.

Despite his aversion to exploration for now, Mr. Pickens is an optimist on energy prices.

"I damn sure haven't been greedy in these deals. All of the bonuses before went right back into the business."

— T. Boone Pickens

York investor who last year took control of Trans World Airlines Inc., were said by these former associates to be his models. Mr. Pickens rejected that comparison.

"I'm not trying to copy Mike Milken or Carl," he said. "All of us have our own style."

Some longtime Pickens followers agree. Rosario S. Iacocca, an oil industry analyst with I.F. Rothschild, Unterberg, Towbin in New York, said he believed that Mr. Pickens still wants to run a major oil company despite his intoxicating successes in financial deals.

At the same time, Mr. Iacocca added, Mr. Pickens is hard to read. "He's always painting his trail," Mr. Iacocca said, "and trying to confuse you, me and anyone else as to what he's going to do."

centages for personal fees in independent takeovers.

Some owners of Mesa's units are worried about conflicts of interest. Lewis Gilbert, the stockholder-rights advocate, said that Mesa needs outside directors to ensure that Mr. Pickens is not neglecting Mesa in devoting time to other ventures.

Mr. Pickens agreed to permit director elections this year, but it is not clear on what issues those directors would be permitted to vote, said Warren Vieth, a Mesa spokesman. Partnerships, unlike corporations, typically do not have boards of directors. An annual meeting tentatively is set for May.

Mr. Batchelder said it would be self-defeating for the advisory takeover teams that are bad for Mesa. Even though he and the oth-

THE EUROMARKETS

Denmark Repackages a Fixed-Rate Bond

LONDON — Dollar bonds closed slightly firmer Tuesday while issues in other sectors slipped as currency concerns continued to weigh on the markets.

Dealers said trading was very light, with most activity limited to swapping out of older issues into new issues. With the U.S. Treasury's quarterly refunding package in the weeks ahead expected to nudge interest rates upward, they noted, few borrowers are willing to tap the market right now.

The day's new offerings were limited to specialty issues, including a novel repackaging of an outstanding fixed-rate Denmark bond. The repackaged issue is backed by \$200 million of a \$1 billion, 7 per-

cent bond due 1988 and launched in November by Shearson Lehman Brothers International.

In contrast, Tuesday's issue is set to yield 1/16 point over the three-month London interbank offered rate. Some dealers speculated that the issue was not likely to be widely tradeable, although it was quoted in when-issued trading at 99.985, within its fees of 5 basis points.

Speculating on the rationale for the repackaging, traders pointed out that Denmark has been among the most persistent borrowers in the Euromarkets. They noted that since there is little appeal among investors for the short-term fixed-rate debt backing the new issue, some underwriters may have been

left with paper on their books from the initial offering.

Also issued during the day was a three-year, 50 million Australian dollar bond for Bergen Bank. The issue, which carries a coupon of 15 percent, was priced at 101.5.

Despite the unusually high coupon — most Australian issues in the past few months have offered rates below 15 percent — investor interest was scant. It was quoted in when-issued trading at a discount of 1/16/16 percent, well outside its fees of 1%.

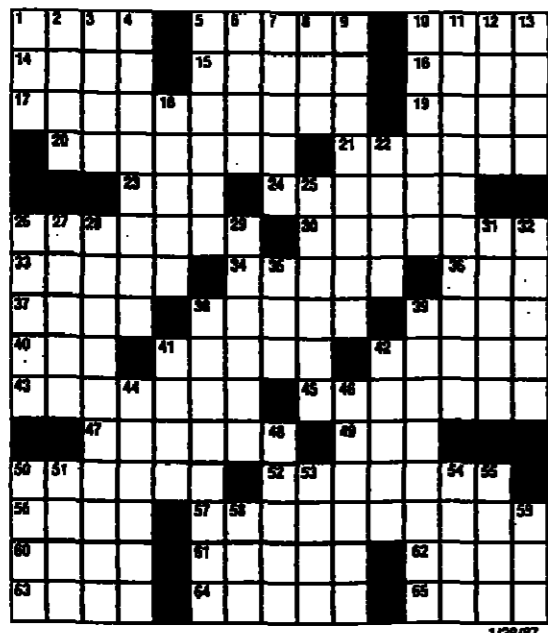
Traders attributed the lukewarm reception to the lack of familiarity with the borrower, a Norwegian bank, and a surplus of Australian dollar paper.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table of company results for various firms including Royal Electronics, Goss & Lomb, Black & Decker, etc.

Large table of OTC prices for various stocks, organized by columns and rows.



**ACROSS**

1 Mendicant's request  
5 Fiber from bananas  
10 Slightly open  
14 Jewish's deity  
15 Fabric used by decorators  
16 Actor Dastagir's benefactor  
19 Some Fed's  
20 Different  
21 Sibelius' "Valse"  
22 Flightless bird  
24 Intrigue  
26 Spheres of influence  
30 Forms a queue  
33 Kneeling figure, in art  
34 Form of investment  
36 Navy V.I.P.  
37 Engrossed  
38 Taken in  
39 Promise's partner  
40 Under the weather  
41 Film in which Jane Fonda won an Oscar  
42 Pulitzer Prize By: 1918  
43 More squallid  
45 Type of wrench

**DOWN**

1 Liberal-arts degs.  
2 Praise  
3 Epiphany trio  
4 Worker for an Amazon  
5 Hit-driver  
6 Tendancy  
7 Keith of the screen  
8 Cap or fish  
9 Porter's "Goes"  
10 "Goes"  
11 Impromptu jazz  
12 Incite  
13 Mystical mark  
18 Let slacken  
22 Tear  
25 Genetic offshoots  
26 Day from Ohio  
27 Ecclesiastical wear  
28 Pancake topping  
29 Father of Jupiter  
31 Sam, e.g.  
32 Game of cards  
35 However  
38 Rode over snow  
39 Unworldly intellectual  
41 Drying furnace  
42 That which refreshes  
43 Choice  
44 Enacted  
48 Lab vessels  
50 Le Moko  
51 Where Luang Prabang is  
53 Network of nerves  
54 "Brute!"  
55 Believe  
59 What a fall guy takes

PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

Wish I had the bank account

**NILER**

**MUPIO**

**TORRCE**

**HOMFAT**

Now arrange the circled letters to form the scurpion answer, as suggested by the above cartoon.

Print answer here:

(Answer tomorrow)

Yesterday's Jumbles: BOGUS DEITY GRUBBY IMPACT  
Answer: What a wife without curiosity could be — A CURIOSITY

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	17	10	Bangkok	26	22
Amsterdam	12	8	Batavia	26	22
Antwerp	12	8	Bombay	26	22
Athens	17	10	Hong Kong	26	22
Berlin	12	8	Kobe	26	22
Bombay	26	22	New Delhi	26	22
Buenos Aires	17	10	Shanghai	26	22
Calcutta	26	22	Singapore	26	22
Cardiff	12	8	Taipei	26	22
Chennai	26	22			
Copenhagen	12	8			
Dallas	17	10			
Dublin	12	8			
Hankow	26	22			
Hong Kong	26	22			
Kobe	26	22			
London	12	8			
Los Angeles	17	10			
Lyons	12	8			
Manila	26	22			
Medan	26	22			
Osaka	26	22			
San Francisco	17	10			
Singapore	26	22			
Tokyo	26	22			
Yokohama	26	22			

World Stock Markets

Via Agence France-Press Jan. 27

Closing prices in local currencies unless otherwise indicated.

Market	Index	Change
Amsterdam	3518.25	+12.50
Brussels	2145.00	+10.00
London	2732.50	+15.00
Paris	1150.00	+10.00
Singapore	1020.00	+10.00
Tokyo	1500.00	+10.00

THE FATAL SHORE

By Robert Hughes. 688 pages. Illustrated. \$24.95. Alfred A. Knopf, 201 East 50th Street, New York, N. Y. 10022.

Reviewed by John Gross

IN 1770, Captain James Cook claimed possession of the eastern coast of Australia, which he and his men had been the first Europeans to sight, in the name of George III. The actual process of colonization began about 18 years later, when a fleet of 11 British ships sailed into what was soon to be called Sydney Harbor. On board, along with the crews, were 736 convicts (188 of them women) and the marines who had been sent to guard them.

Whatever the harsh facts, most colonies have been founded to the accompaniment of a seductive myth, of predications that they would turn out to be Eden or Eldorado. Australia, by contrast, was born under a dark star. Despite the various economic and strategic arguments that were put forward, it was penal policy that proved decisive when it came to following up Cook's claim. The new settlement was conceived of as a dumping ground for criminals — a replacement, in this respect, for the lost American colonies.

Over the next 80 years more than 160,000 convicts were to be shipped out. That is the basic statistic. What they meant in human terms is the subject of "The Fatal Shore," Robert Hughes's masterly new study of the course of the convict system in Australia from its Georgian beginnings to its last Victorian gasp. Already widely known as an art critic, Hughes now reveals formidable gifts as a social historian: he has felt his way back into the past with passion and insight, mined an enormous mass of material, and welded the results of his researches into a commanding narrative.

Hughes carefully delineates the social world of those who were transported and the conditions they endured on the voyage out, backing up his generalizations wherever possible with telling detail. In his account of what happened to them once they reached Australia he draws particularly effectively on his own testimony — of which a surprising amount has survived. Much of the evidence is grim, a good deal of it atrocious. Yet the horrors represent only part of the story. Employees slowly learned that they got better results from their convict laborers when they treated them well. Many emanci-

Solution to Previous Puzzle

S	H	O	V	E	P	A	R	R	P	R	E	P
C	A	R	E	D	A	R	E	A	R	E	N	O
O	V	A	T	E	S	L	A	V	E	E	N	O
T	E	L	R	E	S	E	D	A	P	E	L	L
T	C	L	P	L	E	A	S	E	G	O	A	W
I	C	E	B	E	R	G	R	E	A	R		
T	O	W	S	I	E	R	T	E	S	T		
E	V	E	D	E	S	E	R	T <td>S</td> <td>H</td> <td>O</td> <td>E</td>	S	H	O	E
M	E	R	L	E	D	E	W	S	O	W	N	
T	R	A	V	E	L	A	G	E	N	C		
R	A	R	E	O	L	I	V	E	R	D		
A	V	E	R	H	U	L	A	R	I	S	E	
L	E	A	N	A	T	E	N	W	O	V	E	N
A	N	N	E	S	E	T	T	L	E	A	S	T

BOOKS

miss prospered (a few even made large fortunes, especially in whaling and sealing). The emancipated children, the "Currency lads" and "Currency lasses" — the term implied local currency, with a limited circulation, as opposed to sterling — grew up thinking of Australia as a homeland, not as a jail.

Nor is "The Fatal Shore" a depressing book, painful though much of it is. It has its heroes as well as its ogres; there is material in it for 20 different movies, from the tense account of an abortive uprising among the convicts on Norfolk Island to the adventures of Mary Bryant, "the Girl from Botany Bay," a prisoner who in 1790 led an escape party that sailed a stolen boat all the way from Sydney to Timor.

John Gross is on the staff of The New York Times.

BEST SELLERS

The New York Times  
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Rank	Title	Author	Weeks on List
1	RED STORM RISING	Tom Clancy	1 26
2	THE WINDMILL	James Clavell	2 20
3	WHIRLWIND	James Clavell	3 12
4	BANDITS	Elmore Leonard	4 17
5	THE PRINCE OF TIDES	Fat Cooney	5 17
6	A TASTE FOR DEATH	P.D. James	6 13
7	FLIGHT OF THE INTRUDER	Stephen Coonts	7 13
8	NIGHT OF THE FOX	Jack Higgins	8 11
9	HOLLYWOOD HUSBANDS	Jackie Collins	9 15
10	FOUNDATION AND EARTH	Isaac Asimov	10 15
11	WANDERLUST	Dorothea Snel	11 10
12	THE COUNTRYMAN	Philip Roth	12 11
13	THE PANIC OF '89	Faulkner	13 11
14	THROUGH A GLASS DARKLY	Karen Knorr	14 11
15	DEATH QUEST	L. Ron Hubbard	15 21

BRIDGE

By Alan Truscott

THERE are many ways in which a player can instruct his partner to select one of two specific suits. The selection is normally made on the basis of length, and if the length is equal the choice may be trivial.

But in rare circumstances it is possible to convey the message: "I know our length is equal, partner, but I want you to bid the stronger suit."

To give this message at the seven-level may be unique, but it was achieved on the diagrammed deal from the Rosebush Cup event at the 1986 world championships in Miami Beach.

One seldom picks up a hand on which a grand slam seems likely opposite a virtually

worthless hand. North had that pleasure, but was deprived of bidding space when West opened three clubs.

The cue-bid of four clubs suggested a strong two-suited hand, and the bid of no-trump on the next round made it clear that the suits were the low-ranking ones, hearts and diamonds.

South bid six clubs to indicate a lack of preference, and seven clubs transferred the decision. "I know you have equal length in the red suits," was the message. "Please bid your stronger."

South followed orders, and reached the ideal contract of seven diamonds. The opening club lead was ruffed in the dummy, and all that was needed as a 3-2 split. That suit was

NORTH		EAST	
♠	A 10 8 6 3	♠	Q 9 4
♥	A K 10 7 5 2	♥	8 7 3
♦	—	♦	—
♣	—	♣	—

مكتبة الأمل



SPORTS

Gstrein Paces 1-2 Finish by Austria In World Skiing Combined Slalom

Compiled by Our Staff From Dispatches CRANS-MONTANA, Switzerland — Bernhard Gstrein led Austria to a surprising one-two finish in the men's combined slalom at the world Alpine ski championships here Tuesday, but the favorites remained in good position for the medals.

an-born Marc Girardelli, who was seventh on Tuesday, 3.51 seconds behind Gstrein, and West German Markus Wasmeier, who finished 10th, with a deficit of 5.53 seconds. Gstrein said that he had only an outside chance of winning a medal



Bernhard Gstrein, at Crans-Montana: "It looks good, but..."

Working-Class Parcells Radiates Class That Works

By Tony Kornheiser Washington Post Service ANAHEIM, California — Let's not talk about dynasties or geniuses, about ferocious defenses or blond quarterbacks. Just for the moment, let's talk about a regular guy, a waddy guy from New Jersey who's so secure in his authority and at such peace with his command that he lets his troops doze him with Gatorade after victories because he understands that to be showered with affection requires getting wet.

still never forget he's the coach and gives the orders. Real men don't have to be tyrants. Maybe large men come to that knowledge easier than small men. Parcells weighs about 250 pounds (113.5 kilograms). "I lost six pounds this trip," said "This is like throwing a deck chair off the Queen Mary, though."

about all the beer he drinks. General Manager George Young handed Parcells the tools, but it was Parcells' gentle, steady stroke that built the house. His victory over Denver in Sunday's Super Bowl is one that should be cheered by working-class coaches all over: One of their own hit the number. Parcells wasn't a great athlete who became a coach while waiting for a spot in the TV booth to open up. All he ever wanted to do was coach. He's the journeyman who rode his apprenticeship wherever it wandered — from Hastings College in Nebraska, to Wichita State, Army, Florida State, Vanderbilt, Texas Tech, Air Force, the New England Patriots, the Giants — and finally earned the sobriquet "craftsman."



The New York Giant coach, having his regular Sunday bath.

The Women's Game: Toward a Perfect Pitch

INTERNATIONAL — Martina Navratilova did it. Hana Mandlikova still likes to do it. Scandinavians in their thousands do it. Singaporeans love to try. Belgians and Italians actually get paid for it. But Russians see harmful social tendencies, Brazilians think

"I don't go for that sort of thing." "Don't be silly," said her sister. "You've got to have a bit of fun." For Davis, fun can be padding across a waterlogged pitch. She may not understand her (male) manager's strategy, but she does what comes naturally. Reilly, more mature in every way, commands the language, bosses her team, is on first-name terms with its sponsor and sees broader issues. "The woman of the house in the house of a slave," she observes. "But another side is she's the boss of the house."

come initially to look at their legs. "But I don't think we've got good-looking legs, and they keep coming back, so perhaps it's our skills they're attracted to." Maybe so. But the Soviet sports federation sees women's soccer as socially wrong. One of its female doctors cited it as a cause of "varicose veins, damaged sexual organs and unhealthy aging."

ROB HUGHES

immoral" and the Brits, although they began it all 92 years ago, still run up against the dark ages of sexist banter if they so much as hint at stepping into a man's world. It is women's soccer. English television has just scooped "Home and Away," a documentary on two female professional soccer players in Italy. The Italians take Rose Reilly, captain of First Division champion Tran, seriously enough to try to nationalize her to join the national team. And once they saw Kerry Davis scoring spectacularly in the European championship, Lazio offered her £225 (£342) a week plus free living quarters in Rome.



Lily's Elisabetha Vignotto, left, applying pressure in a match played in Beijing during the running of the city's 1984 marathon.

Having forged the British Ladies Football Club in 1895, Honeyball stuck to an old foge called S.D.B. He, the initiated reporter for The Sketch, barbed the first record of women's match. "They certainly made a pretty picture — the North side in bright red blouses and the South in quartered blue with knickerbockers or divided skirts of a dark material," wrote S.D.B. "This, however, is all that can be said in favor of the British Ladies Football Club. As exponents of the popular winter pastime, they had not the slightest qualification to take the field."

SCOREBOARD

Table with multiple columns: NBA Standings (Eastern Conference, Central Division, Pacific Division), College Top-20 Ratings, U.S. College Results (East, Midwest, South, West), NHL Standings (Wales Conference, Patrick Division, Adams Division, Smythe Division), and Skiing World Championships (Men's Combined Slalom).

Connors Is Branded 'Mr. Nice Guy'

Compiled by Our Staff From Dispatches RADNOR, Pennsylvania — Jimmy Connors, who quit cold during a match with Ivan Lendl, led a pack of boorish athletes to earn TV Guide's "Mr. Nice Guy" award for 1986, the U.S. television magazine announced Monday.

The tournament referee and chief supervisor then asked him to continue play. But "he remained seated, possibly under the impression tennis isn't big enough to default Jimmy Connors," wrote TV Guide. The match ended in default; Connors was fined \$25,000 and suspended for 10 weeks. His action earned him top honors "for opening new vistas," the magazine said. "What Connors has set up in sports is a bond that fans will ask promoters to post, guaranteeing a finish to every event."

Texas Court Places 2 Mets On Probation

The Associated Press HOUSTON — New York Met pitcher Ron Darling and infielder Tim Lincecum pleaded no contest Monday to reduced misdemeanor charges of resisting arrest stemming from an altercation with store owners here last summer. As part of a plea bargain arrangement, a Harris County court dismissed pickers Bob Ojeda and Rick Aguilera. Darling, 26, and Teufel, 28, were fined \$200 each and placed on one-year probation. If they successfully complete the probation (whose terms were not announced), their records will be cleared. The four were arrested July 19 after a confrontation with off-duty police, who said the incident began when Teufel left a nightclub with an alcoholic drink. Ojeda and Aguilera were charged with hindering apprehension; Darling and Teufel were charged with felony assault.

INTERNATIONAL CLASSIFIED (Continued From Page 3) ESCORTS & GUIDES. Includes sections for USA & WORLDWIDE, LONDON, KENSINGTON, BELGRAVIA, ARIOSCATS, REGENCY NY, MAYFAIR CLUB, and various international cities like Zurich, Geneva, Amsterdam, Vienna, etc.

OBSERVER

Unseen Moments on TV

By Russell Baker
NEW YORK — Moments we will never see on television, unfortunately.
Anson Snade, game-show host of "Squall With Greed," cries in agony as he is asked to give up the Big Green Board rights.

stimulate hours of fascinating conversation.
Eppa Cray is visibly affected by participating in this historic occasion and awed by being in the presence of an anchorman. "How does it feel jumping out of a cake?" he asks.

By Christine Chapman
TOKYO — "My story is an old-fashioned love story," insists Eimi Yamada, the 27-year-old author of the erotic best-seller "Bedtime Eyes," a novel about the love affair between Kim, a Japanese girl, and a black American serviceman nicknamed Spoon.

a spy. The Manhattan Jazz Quartet is composing the film score.
"Bedtime Eyes" and Yamada's second book, "Jessie's Backbone," were nominated last year for the highly regarded Akutagawa Prize for fiction by new writers.



Eimi Yamada: "I just wrote a story about a black man."

the 110-page "Bedtime Eyes." She visited the U.S. naval base at Yokosuka, south of Tokyo, several times "to get the scene and details."
"When I'm writing, I'm very serious about the words. When I'm talking, I'm not," Yamada said.

PEOPLE

The Day That Churchill Almost Went Bankrupt

The American financier Bernard Baruch saved Winston Churchill from becoming a pauper in 1929, a historian says in American Heritage magazine. Churchill "dropped into Baruch's office and decided to play the market, and as prices tumbled, he plunged deeper and deeper, trying to outguess the stock exchange," the historian William Manchester wrote.

Whitney Houston's 2-year-old "Whitney Houston" album won five American Music Awards, while Lionel Richie, whose album wasn't even nominated, won four trophies for songs and videos from his "Dancing on the Ceiling" LP.

SEEK AND FIND
INTERNATIONAL BUSINESS OPPORTUNITIES
INSIDE WEDNESDAYS
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TODAY ON PAGE 2
ANNOUNCEMENTS
VALENTINE
CLASSIFIED CONTENT

PERSONALS
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FRENCH PROVINCES
CANNE CALIFORNIE, in beautiful park with swimming pool & tennis courts, 2 1/2 baths, 140 sq. m. living space, 50 sq. m. terrace, servant's room with kitchen, 24 hr. security, 24 hr. security, 24 hr. security, 24 hr. security.

REAL ESTATE FOR SALE
MONTE CARLO
Principality of Monaco
Beautiful apartment, living 3 bedrooms, 2 1/2 baths, 140 sq. m. living space, 50 sq. m. terrace, servant's room with kitchen, 24 hr. security, 24 hr. security, 24 hr. security, 24 hr. security.

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